

FEDERAL REGISTER

THE NATIONAL ARCHIVES
 OF THE UNITED STATES
 1934
 VOLUME 14 NUMBER 165

Washington, Friday, August 26, 1949

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1949 C. C. C. Dry Edible Bean Bulletin 1]

PART 603—BEANS, DRY EDIBLE

SUBPART—1949-CROP DRY EDIBLE BEAN LOAN AND PURCHASE AGREEMENT PROGRAM

1949-CROP DRY EDIBLE BEAN PRICE SUPPORT PROGRAM BULLETIN

This bulletin states the requirements with respect to the 1949-Crop Dry Edible Bean Loan and Purchase Agreement Program formulated by the Commodity Credit Corporation (hereinafter referred to as CCC) and the Production and Marketing Administration (hereinafter referred to as PMA). The program will be carried out by PMA under the general supervision and direction of the Manager, CCC. Loans and purchase agreements will be made available, in accordance with this bulletin, to producers and cooperative marketing associations of producers (hereinafter referred to as producers) on eligible beans produced in 1949.

- Sec.
- 603.101 Administration.
 - 603.102 Availability of loans and purchases.
 - 603.103 Approved lending agencies.
 - 603.104 Eligible producer.
 - 603.105 Eligible beans.
 - 603.106 Approved storage.
 - 603.107 Approved forms.
 - 603.108 Determination of quantity under loan.
 - 603.109 Liens.
 - 603.110 Service fees.
 - 603.111 Set-offs.
 - 603.112 Interest rate.
 - 603.113 Transfer of producer's equity.
 - 603.114 Safeguarding the beans.
 - 603.115 Insurance.
 - 603.116 Loss or damage to the beans.
 - 603.117 Personal liability on loans.
 - 603.118 Maturity and satisfaction.
 - 603.119 Removal of the beans under loan.
 - 603.120 Release of the beans under loan.
 - 603.121 Delivery of beans to CCC.
 - 603.122 Purchase of notes.
 - 603.123 Loan and settlement rates.
 - 603.124 PMA commodity offices.

AUTHORITY: §§ 603.101 to 603.124 issued under sec. 4 (d), Pub. Law 806, 80th Cong. Interpret or apply secs. 4 (g), (1), 5 (a), Pub. Law 806, 80th Cong., sec. 1, Pub. Law 897, 80th Cong.

§ 603.101 *Administration.* In the field the program will be administered through State PMA committees, county agricultural conservation committees (hereinafter referred to as county committees) and PMA commodity offices.

Forms will be distributed through the offices of State and county committees. All loan and purchase documents will be completed and approved by the county committee, which will retain copies of all such documents. The county committee may designate in writing certain employees of the county agricultural conservation association to approve such forms on behalf of the committee.

§ 603.102 *Availability of loans and purchase agreements—* (a) *Area.* Loans and purchase agreements shall be available to producers of eligible beans produced in the continental United States.

(b) *Time.* Loans and purchase agreements will be available from time of harvest through January 31, 1950, and the applicable documents must be signed by the producer and delivered to the county committee not later than such date.

(c) *Source.* Loans and purchase agreements will be made through the offices of county committees. Disbursements on loans will be made to producers by State PMA offices by means of sight drafts drawn on CCC or by approved lending agencies under agreements with CCC. Disbursements will not be made later than February 15, 1950, except when specially approved by CCC in each instance.

§ 603.103 *Approved lending agencies.* An approved lending agency shall be any bank, cooperative marketing association, corporation, partnership, individual, or other legal entity with which CCC has entered into a Lending Agency Agreement (Form PMA-97, or other form prescribed by CCC), or a loan servicing agreement.

§ 603.104 *Eligible producer.* An eligible producer shall be any individual, partnership, association, corporation, or other legal entity producing beans in

(Continued on p. 5287)

CONTENTS

	Page
Agriculture Department	
See Animal Industry Bureau;	
Commodity Credit Corporation;	
Federal Crop Insurance Corporation;	
Production and Marketing Administration.	
Alien Property, Office of	
Notices:	
Vesting orders, etc.:	
Brodbeck, Frederick.....	5333
Dhom, Anna Hollander.....	5333
Engelhardt, Konrad, et al.....	5334
Horiguchi, Saimatsu.....	5334
Kawasaki, Sina.....	5335
Kikugawa, Mitsugi.....	5335
Kleemann, Johanna.....	5338
Kleemann, Marie.....	5335
Klink, Johanna.....	5335
Klink, Walter L. E.....	5336
Kubler, Luise.....	5334
Kuther, Amanda.....	5336
Mahlke, Emmy.....	5336
Maier, John A.....	5333
Martini, Luisa.....	5333
Moritz, Egon.....	5337
Nakanishi, Jitsuo (2 documents).....	5337
Namekawa, Nui.....	5337
Nekoba, Shokichi.....	5338
Taisho Marine & Fire Insurance Co., Ltd.....	5339
Werra, Gerhard K.....	5338
Animal Industry Bureau	
Proposed rule making:	
Horses; recognition of breeds and purebred animals.....	5316
Civil Aeronautics Board	
Notices:	
Pacific route amendment case; hearing.....	5330
Rules and regulations:	
Oxygen requirements:	
Irregular air carrier and off-route rules.....	5310
Scheduled air carrier rules.....	5311
Outside continental limits of U. S.....	5308
Transport categories.....	5307
Commerce Department	
See Domestic Commerce, Office of.	
Commodity Credit Corporation	
Rules and regulations:	
Beans, dry edible; 1949 price support program bulletin.....	5285



Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, the National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

1949 Edition

CODE OF FEDERAL REGULATIONS

The following books are now available:

Title 17 (\$2.75)
Title 18 (\$2.75)

Previously announced: Title 3, 1948 Supp. (\$2.75); Titles 4-5 (\$2.25); Title 6 (\$3.00); Title 7: Parts 1-201 (\$4.25); Parts 210-874 (\$2.75); Parts 900 to end (\$3.50); Title 8 (\$2.75); Title 9 (\$2.50); Titles 10-13 (\$2.25); Title 14: Parts 1-399 (\$3.50); Parts 400 to end (\$2.25); Title 15 (\$2.50); Title 16 (\$3.50)

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

CONTENTS—Continued

Domestic Commerce, Office of	Page
Rules and regulations:	
Allocation orders:	
Cans.....	5314
Tin.....	5312
Federal Crop Insurance Corporation	
Rules and regulations:	
Crop insurance, 1950 and succeeding crop years:	
Corn.....	5290
Multiple crop.....	5303
Tobacco.....	5298
Wheat.....	5303

RULES AND REGULATIONS

CONTENTS—Continued

Federal Power Commission	Page
Notices:	
Hearings, etc.:	
Allentown - Bethlehem Gas Co.....	5331
Harrisburg Gas Co.....	5331
Lancaster County Gas Co.....	5330
Federal Security Agency	
See Food and Drug Administration.	
Food and Drug Administration	
Rules and regulations:	
Statements of general policy or interpretation; quantitative declaration of alpha-estradiol....	5314
Foreign and Domestic Commerce Bureau	
See Domestic Commerce, Office of.	
General Services Administration	
See Public Buildings Administration.	
Home Loan Bank Board	
Rules and regulations:	
Organization of banks; indemnification of directors, officers and employees.....	5314
Housing and Home Finance Agency	
See Home Loan Bank Board.	
Immigration and Naturalization Service	
Proposed rule making:	
Naturalization investigations and hearings, preliminary....	5315
Interior Department	
See Land Management, Bureau of.	
Justice Department	
See Alien Property, Office of; Immigration and Naturalization Service.	
Labor Department	
See Wage and Hour Division.	
Land Management, Bureau of	
Notices:	
Forest Homestead Act; revocation of orders opening lands....	5329
Maritime Commission	
Notices:	
American-Hawaiian Steamship Co. and Pittsburgh Steamship Co.; hearing.....	5332
Production and Marketing Administration	
Notices:	
Northwest Oklahoma Cattlemen's Assn., Inc.; hearing regarding brand inspection authorization.....	5328
Proposed rule making:	
Peaches in County of Mesa in Colorado.....	5317
Potatoes, Irish, in certain counties of Oregon and California....	5317
Public Buildings Administration	
Rules and regulations:	
Renumbering and redesignation of chapter.....	5315
Public Contracts Division	
See Wage and Hour Division.	

CONTENTS—Continued

Securities and Exchange Commission	Page
Notices:	
Hearings, etc.:	
Arkansas Natural Gas Corp. and Arkansas Louisiana Gas Co.....	5331
United Gas Corp. and Electric Power & Light Corp.....	5331
Proposed rule making:	
Unlisted trading privileges, continuance on merged exchanges.....	5328
Wage and Hour Division	
Notices:	
Employment of handicapped clients; issuance of special certificates to sheltered workshops.....	5329

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 6	Page
Chapter IV:	
Part 603.....	5285
Title 7	
Chapter IV:	
Part 416.....	5290
Part 417.....	5298
Part 418.....	5303
Part 420.....	5303
Chapter IX:	
Part 940 (proposed).....	5317
Part 959 (proposed).....	5317
Title 8	
Chapter I:	
Part 370 (proposed).....	5315
Part 373 (proposed).....	5315
Title 9	
Chapter I:	
Part 151 (proposed).....	5316
Title 14	
Chapter I:	
Part 4b.....	5307
Part 41.....	5308
Part 42.....	5310
Part 61.....	5311
Title 15	
Chapter III:	
Part 338 (2 documents).....	5312, 5314
Title 17	
Chapter II:	
Part 240 (proposed).....	5328
Title 21	
Chapter I:	
Part 3.....	5314
Title 24	
Chapter I:	
Part 122.....	5314
Title 44	
Chapter VI.....	5315

1949, as landowner, landlord, tenant, or sharecropper.

Cooperative marketing associations of producers shall be eligible for loans and purchase agreements: *Provided*, That (a) the association markets beans produced solely by eligible producer members, (b) the producer members are bound by contract to market through the association, (c) the association has authority to obtain a loan on the security of the beans, and to give a lien thereon, and (d) the members share proportionately according to the quantity, grade and class of beans each delivers to the association.

§ 603.105 *Eligible beans.* Eligible beans shall be dry edible beans of the following classes: Pea and Medium White, Great Northern, Small White, Flat Small White, Pink, Small Red, Pinto, Cranberry, Red Kidney, Standard Lima, and Baby Lima produced in 1949.

Beans tendered as collateral for a loan shall grade U. S. No. 2 or better, or shall be beans which have not been commercially cleaned, which have a moisture content of not more than 18 percent and, which after deduction of foreign material, contain not more than 10 percent of other defects as these terms are defined in the U. S. Standards for Beans. In addition, such beans shall not be musty, or sour, or heating, or hot, or weevily, or materially weathered, or shall not be beans which have any commercially objectionable odor, or which are otherwise of distinctly low quality.

In order to be eligible for a farm-storage loan, beans must have been stored for at least 30 days prior to inspection for measurement, sampling, and sealing, unless otherwise approved by the State PMA committee.

Except in the case of eligible cooperative marketing associations of producers, the beneficial interest in the beans must be in the person tendering them for loan or purchase and must always have been in him, or must have been in him and a former producer whom he succeeded before the beans were harvested. To meet the requirements of succession to a former producer the rights, responsibilities and interest of the former producer with respect to the farming unit on which the beans were produced shall have been substantially assumed by the person claiming succession. Mere purchase of the crop prior to harvest, without acquisition of any additional interest in the farming unit, shall not constitute succession. The county committee shall make determinations concerning succession.

§ 603.106 *Approved storage.* Approved storage for beans shall meet the following requirements:

(a) *Farm storage.* Under the loan program approved farm storage shall consist of storage structures located on the farm or off the farm, provided no warehouse receipt is outstanding, which, as determined by the county committee, are of such substantial and permanent construction as to afford safe storage for beans. Farm storage loans will not be available for associations of producers.

(b) *Warehouse storage.* Under the loan and purchase agreement program, approved warehouse storage shall consist of warehouses for which a storage agreement with CCC is in effect for the 1949 crop. The names of approved warehouses may be obtained from State offices and from county committees.

§ 603.107 *Approved forms.* The approved forms consist of the loan and purchase agreement documents which, together with the provisions of this bulletin, and any supplements and amendments hereto, govern the rights and responsibilities of the producer.

Notes and chattel mortgages, and note and loan agreements, must have State and documentary revenue stamps affixed thereto where required by law. Loan and purchase agreement documents executed by an administrator, executor, or trustee will be acceptable only where legally valid.

(a) *Farm storage loans.* Approved forms shall consist of producer's note on Commodity Loan Form A, secured by chattel mortgage on Commodity Loan Form AA and inspection certificates issued by a licensed inspector.

(b) *Warehouse storage loans.* Approved forms shall consist of note and loan agreements on Commodity Loan Form B, secured by negotiable warehouse receipts representing beans stored in approved warehouses. All beans pledged as security for a loan on a single Commodity Loan Form B must be stored in the same warehouse.

(c) *Purchase agreement documents.* The purchase agreement documents shall consist of the Purchase Agreement (Commodity Purchase Form 1), Delivery Instructions (Commodity Purchase Form 3), and Purchase Agreement Settlement (Commodity Purchase Form 4) signed by the producer and approved by the county committee, negotiable warehouse receipts, and such other forms as may be prescribed by CCC.

(d) *Warehouse receipts.* Beans in approved warehouse storage under the loan program and delivered under purchase agreements must be represented by warehouse receipts which satisfy the following requirements:

(1) Warehouse receipts must be issued in the name of the producer or producers association, must be properly endorsed in blank so as to vest title in the holder, and must be issued by an approved warehouse. The receipts must be negotiable and must cover eligible beans actually in store in the warehouse.

(2) CCC will not require that the warehouseman insure the beans placed under loan; however, if the warehouseman does insure the beans, such insurance shall inure to the benefit of CCC to the extent of its interest.

(3) Each warehouse receipt or the warehouseman's supplemental certificate (in duplicate) properly identified with the warehouse receipt, must show the net weight of beans and the grade or all grading factors used in the determination of the quality of the beans.

(4) In the case of warehouse-stored beans where the warehouseman does not guarantee the quantity and quality shown on the warehouse receipt the pro-

ducer must execute the supplemental certificate and assume responsibility for the quantity and quality indicated thereon.

§ 603.108 *Determination of quantity under loan.* The quantity of beans may be determined either by weight or by measurement. If the beans grade U. S. No. 2 or better, loans shall be made on the basis of the net weight; otherwise loans shall be made on the basis of sound beans. The quantity of sound beans shall be the quantity of eligible beans minus dockage and other defects as defined in the U. S. Standards for Beans.

(a) *Farm-stored.* If the beans grade U. S. No. 2 or better as evidenced by an inspection certificate issued by a licensed inspector, the quantity shall be the net weight of beans. The net weight shall be determined by dividing the number of cubic feet of beans by 2.1 or by multiplying the number of sacks by the average net weight (gross minus tare) of a representative number of sacks, as determined by the county committee. Otherwise, the quantity of bulk beans stored in an approved farm storage shall be determined by dividing the number of cubic feet of beans in such bin or granary by 2.1 and multiplying the result by the percentage of sound whole beans. The result will be the net weight of sound beans in units of 100 pounds. If beans are stored in sacks a deduction of $\frac{3}{4}$ of a pound per sack shall be made from the gross weight.

(b) *Warehouse-stored.* The quantity of beans stored in an approved warehouse will be the net weight multiplied by the percentage of sound beans as shown on the warehouse receipt or supplemental certificate, except that the quantity shall be the net weight of beans when the warehouse receipt or supplemental certificate shows a grade of U. S. No. 2 or better.

§ 603.109 *Liens.* If there are any liens or encumbrances on the beans, proper waivers must be obtained.

§ 603.110 *Service fees.*—(a) *Loans.* Where the beans are under a farm-storage loan, the producer shall pay a service fee of 2 cents per 100 pounds on the quantity of beans placed under loan, or \$3.00, whichever is greater, and where the beans are under a warehouse-storage loan, the producer shall pay a service fee of one cent per 100 pounds on the quantity of beans, or \$1.50, whichever is greater. In the case of farm-storage loans, State committees are authorized to require prepayment of \$3.00 of the service fee.

If the quantity of beans delivered in satisfaction of a loan exceeds the quantity of beans placed under loan, the applicable service fee shall be charged the producer on the excess quantity delivered.

(b) *Purchase agreements.* At the time the producer signs a purchase agreement he shall pay a service fee of one cent per 100 pounds on the quantity of beans specified by the producer on Commodity Purchase Form 1, as the maximum quantity he may deliver, or \$1.50, whichever is greater.

(c) *Refunds.* No refund of service fees will be made.

§ 603.111 *Set-offs.* If the producer is indebted to CCC on an accrued obligation, or if any installments past due or maturing within 12 months are unpaid on any loan made available by CCC on farm storage facilities, whether held by CCC or by a lending agency, he must designate CCC or such lending agency as the payee of the proceeds of the loan or purchase to the extent of such indebtedness or installments, but not to exceed that portion of the proceeds remaining after deduction of loan service fees and amounts due prior lienholders.

If the producer is indebted to any other agency of the United States, and such indebtedness is listed on the county debt register, he must designate such agency as the payee of the proceeds as provided above.

Indebtedness owing to CCC or to a lending agency as provided above shall be given first consideration after claims of prior lienholders.

§ 603.112 *Interest rate.* Loans shall bear interest at the rate of 3 percent per annum, and interest shall accrue from the date of disbursement of the loan, notwithstanding the printed provisions of the note.

§ 603.113 *Transfer of producer's equity—(a) Loan.* The right of the producer to transfer either his right to redeem the beans under loan or his remaining interest may be restricted by CCC.

(b) *Purchase agreements.* The producer may not assign his interest in the purchase agreement.

§ 603.114 *Safeguarding of the beans.* The producer obtaining a farm-storage loan is obligated to maintain the farm storage structures in good repair, and keep the beans in good condition.

In the case of warehouse-storage loans where the warehouseman does not guarantee the quantity and quality shown on the warehouse receipt, the producer is obligated to keep the beans in good condition.

§ 603.115 *Insurance.* CCC will not require the producer to insure the beans placed under farm-storage loan; however, if the producer does insure such beans such insurance shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the beans involved in the loss.

§ 603.116 *Loss or damage to the beans—(a) Farm-storage.* The producer is responsible for any loss in quantity or quality of the beans placed under farm-storage loan, except that uninsured physical loss or damage, other than shrinkage, occurring without fault, negligence, or conversion on the part of the producer, or on the part of the person operating or in charge of the storage structure, resulting solely from an external cause other than insect infestation or vermin, will be assumed by CCC, to the extent of the settlement rate, provided the producer has given the county committee immediate notice in writing of such loss or damage, and provided there

has been no fraudulent representation made by the producer in the loan documents or in obtaining the loan.

(b) *Warehouse-storage.* In the case of loss or damage to beans in warehouse storage where the warehouseman guarantees the quantity and quality shown on the warehouse receipt, the producer's account will be credited in the amount of such loss or damage in accordance with paragraph (c) of this section.

If the warehouseman does not guarantee the quantity and quality shown on the warehouse receipt, the producer has the same responsibility for loss or damage to the beans as in the case of farm-storage loans.

If insurance is carried by the warehouseman or producer, such insurance shall inure to the benefit of CCC to the extent of its interest.

(c) *Credit for loss or damage.* The amount to be credited to the producer shall be determined by multiplying the number of cwt. of sound beans lost or destroyed by the settlement rate for U. S. No. 2 beans of the class lost or destroyed, except that if the warehouse receipt or an official inspection certificate covering the beans shows a grade of U. S. No. 2 or better, the amount credited shall be determined by multiplying the net weight of the beans lost or destroyed by the settlement rate for the class and grade of such beans.

§ 603.117 *Personal liability.* The making of any fraudulent representation by the producer in the loan documents or in obtaining the loan, or the conversion or unlawful disposition of any portion of the beans by him, will render the producer subject to criminal prosecution under Federal Law and liability for the amount of the loan and for any resulting expense incurred by any holder of the note.

§ 603.118 *Maturity and satisfaction—*

(a) *Loans.* Loans mature on demand but not later than April 30, 1950. In the case of farm-storage loans, the producer is required to pay off his loan on or before maturity or to deliver the mortgaged beans in accordance with instructions of the county committee. Credit will be given at the applicable settlement value for the total net weight of beans delivered, provided they were stored in the bin(s) in which the beans under loan were stored, or were part of the original lot(s) of bagged beans placed under loan in a storage structure off the farm. The settlement value for beans of an eligible quality delivered to CCC under a farm-storage loan will be the applicable settlement rate set forth in Supplement 1 to this Bulletin. Irrespective of the provisions of the mortgage supplement, if the beans, when delivered, are of a grade for which no settlement rate has been established, the settlement value shall be the settlement rate established for the grade placed under loan, less the difference, if any, at the time of delivery, between the market price for the grade placed under loan and the market price of the beans delivered as determined by CCC; *Provided, however,* That if such beans when placed under loan were not of a grade for which a settlement rate has been established, the settlement value shall be the

settlement value for the lowest grade for which a settlement rate has been established, less the difference, if any, at the time of delivery, between the market price for such grade and the market price of the beans delivered, as determined by CCC.

If the settlement value of the beans delivered under a farm-storage loan exceeds the amount due on the loan, the amount of the excess shall be paid to the producer by a sight draft drawn on CCC by the State PMA office.

If the settlement value of the beans is less than the amount due on the loan, the amount of the deficiency, plus interest, shall be paid by the producer to CCC, or may be set off against any payment which would otherwise be made to the producer under any agricultural programs administered by the Secretary of Agriculture, or any other payments which are due or may become due to the producer by CCC or any other agency of the United States. In the event the farm is sold or there is a change of tenancy, the beans may be delivered before the maturity date of the loan upon prior approval by the county committee.

In the case of warehouse-storage loans, if the producer does not repay his loan by maturity, CCC shall have the right to process and sell or pool the beans in satisfaction of the loan in accordance with the provisions of the note and loan agreement and § 603.119. Any payment due a producer at time of settlement on a warehouse-storage loan shall be made by the appropriate PMA commodity office. If the warehouse receipt represents thresher-run lots of beans, the producer must arrange to resubmit warehouse receipts on cleaned and bagged beans after maturity date in accordance with instructions issued by the county committee.

(b) *Purchase agreements.* The producer who signs a purchase agreement (Commodity Purchase Form 1) will not be obligated to deliver any beans to CCC. However, the quantity which he stated in the purchase agreement will be the maximum quantity he may deliver to CCC. If the producer who signs a purchase agreement wishes to sell beans to CCC he will have a 30-day period during which he must notify the county committee of his intention to sell. This period will end on April 30, 1950, or on such earlier date as may be determined by the Manager, CCC.

In the case of eligible beans stored in an approved warehouse, the producer must not later than the day following the final date of such 30-day period, or during such period of time thereafter as may be specified by CCC, submit warehouse receipts for the quantity of such beans he elects to sell to CCC but not in excess of the quantity shown on Commodity Purchase Form 1. In the case of eligible beans stored in other than approved warehouse storage, the county committee will, on or after May 1, 1950, issue delivery instructions to the producer. The producer must then complete delivery within a 15-day period immediately following the date the county committee issues delivery instructions unless the county committee determines more time is needed for delivery. The

quantity of beans delivered must not be in excess of the quantity shown on Commodity Purchase Form 1. When delivery is completed, payment will be made by a sight draft drawn on CCC by the State PMA office on the basis of Commodity Purchase Form 4. The producer shall direct on such form to whom payment of the purchase price shall be made.

Eligible beans will be purchased on the basis of the weight, grade, and other quality factors shown on the warehouse receipts and accompanying documents; or, if such beans are delivered to a CCC storage facility, on the basis of the weight, grade, and other quality factors determined by the county committee. The settlement value for beans delivered under a purchase agreement shall be the settlement rate set forth in Supplement 1 to this bulletin, for the class, and grade of beans delivered, and for the county where produced.

§ 603.119 Removal of the beans under loan. If the loan is not satisfied upon maturity by payment or delivery, the holder of the note may remove the beans, process, and sell them, either by separate contract or after pooling them with other lots of beans similarly held. If the beans are pooled, the producer has no right of redemption after the date the pool is established, but shall share ratably in any overplus remaining on liquidation of the pool. CCC shall have the right to treat the pooled beans as a reserve supply to be marketed under such sales policies as CCC determines will promote orderly marketing, protect the interest of the producers and consumers, and not unduly impair the market for the current crop of beans, even though part or all of such pooled beans are disposed of under such policies at prices less than the current domestic price for such beans. Any sum due the producer as a result of the sale of beans or of insurance proceeds thereon, or any ratable share resulting from the liquidation of a pool, shall be payable only to the producer without right of assignment by him.

§ 603.120 Release of the beans under loan. A producer may at any time prior to delivery to CCC obtain release of the beans under loan by paying to the holder of the note, or note and loan agreement, the principal amount thereof, plus interest. If the note is held by an out-of-town lending agency or by CCC, the producer may request that the note be forwarded to a local lending agency or to the county committee for collection. All charges in connection with the collection of the note shall be paid by the producer. Upon repayment of a farm-storage loan, the county committee should be requested to release the mortgage by filing an instrument of release or by a marginal release on the county records. Partial release of the beans prior to maturity may be arranged with the county committee by paying to the holder of the note the amount of the loan, plus interest, represented by the quantity of beans to be released. In case of warehouse-storage loans, each partial release must cover all of the commodity under one warehouse receipt number.

§ 603.121 Delivery of beans to CCC. If beans are delivered by the producer to CCC pursuant to the purchase agreement or in satisfaction of a loan, the following terms and conditions shall apply with respect to packaging, quantity, quality, delivery point and charges.

(a) **Packaging.** Beans delivered to CCC shall be packed 100 pounds net in bags equal to or better than new bags made of 36-inch, 10.4 ounce A or B quality common jute or heavier weight jute, or new cotton bags, 36-inch 2.35 yards osnaburg or 40-inch 2.50 yard osnaburg; if new bags are not available, No. 1 used bags made of 36-inch 10.4 ounce A and B quality jute or heavier, free of holes, patches, or other defects, satisfactory for the proper conservation of the product, and thoroughly cleaned before being filled may be used. Bag seams must be sufficiently strong to develop the full strength of the cloth. Bags will be marked to show the commodity name and class, the net weight when packed, and the name and address of the packer.

(b) **Determination of quantity.** The quantity of beans delivered to CCC from other than an approved warehouse, or delivered in an approved warehouse where the warehouseman does not guarantee quantity, will be determined on the basis of official weight at the point of delivery, evidenced by scale tickets, minus the tare weight of the sacks, and shall be approved by the producer. The quantity of beans delivered to CCC in an approved warehouse where the warehouseman guarantees the weight shall be the weight of beans specified in the warehouse receipt or supplemental certificate.

(c) **Determination of quality.** Beans shall be of the classes specified in § 603.105, grading U. S. No. 2 or better. The class and grade of the beans shall be determined in accordance with the U. S. Standards for Beans. Unless the quality is guaranteed by an approved warehouseman, the class and grade must be determined from a Federal or Federal-State inspection certificate, issued by or under the supervision of the Grain Branch, PMA; otherwise, it shall be determined from either such an inspection certificate or the warehouse receipt or supplemental certificate.

If beans are delivered to CCC in satisfaction of a loan which do not meet the requirements of paragraph (c) of this section, the quantity, quality, and settlement value shall be determined by or under the supervision of the appropriate PMA commodity office.

(d) **Delivery point.** Beans shall be delivered in an approved warehouse, or to an assembly point, or f. o. b. cars, country shipping point, as specified by the county committee.

(e) **Charges.** Storage, bagging, cleaning, inspection fees and all other charges, including cost of movement to normal railroad shipping points where the warehouse is not located on a railroad, (but not including receiving, loading-out and railroad freight charges), incurred on beans up to the time of delivery to CCC, shall be paid by the producer prior to such delivery or shall be paid from the settlement value: *Provided, however,* That on the quantity of eligible beans

stored in an approved warehouse and delivered to CCC under a loan or purchase agreement, CCC will assume warehouse storage charges (not in excess of those allowed under the storage agreement in effect for the 1949 crop with CCC) accruing from May 1, 1950.

If delivery is made to CCC in an approved warehouse, and the warehouseman does not unconditionally guarantee the quantity and quality shown on the warehouse receipt, the producer shall pay any unloading, turning, repiling, or other warehouse charges incident to official weight and grade determinations, but in no event including loading-out charges.

§ 603.122 Purchase of notes. CCC will purchase from approved lending agencies, notes evidencing approved loans which are secured by chattel mortgages or negotiable warehouse receipts. The purchase price to be paid by CCC will be the principal sums remaining due on such notes, plus accrued interest from the date of disbursement to the date of purchase at the rate of 1½ percent per annum. Lending agencies are required to submit Commodity Credit Corporation Form 500 or such other form as CCC may prescribe for all payments received on producer's notes held by them, and are required to remit promptly to CCC an amount equivalent to 1½ percent interest per annum on the amount of the principal collected, from the date of disbursement to the date of payment. Lending agencies shall submit notes and reports to the PMA commodity office serving the area.

§ 603.123 Loan and settlement rates—
(a) **Loan rates.** (1) The loan rate for eligible beans grading U. S. No 2 or better shall be the applicable settlement rate for the class, grade, and county where produced. Any charges specified in § 603.121 (e) which are unpaid shall be paid from the proceeds of the loan and the beans shall meet the packaging requirements of § 603.121 (a).

(2) The loan rate for all other eligible beans shall be \$4.50 per 100 pounds of sound beans. All such beans, when and if delivered to CCC, shall meet all requirements of § 603.121. Settlement, if delivered to CCC, shall be at the applicable settlement rate for the class, grade and county where produced.

(b) **Settlement rates.** The settlement rates are set forth in Supplement 1 to this bulletin. The settlement rate shall be the settlement rate for the county in which the beans are produced irrespective of where they are stored or delivered.

(c) **Storage in transit.** Reimbursement will be made by CCC for paid-in freight on beans stored in approved warehouses. Such reimbursement will be made to approved warehousemen subject to the following conditions:

(1) The movement from point of origin to storage point must be an "in-line" movement as determined by CCC.

(2) The freight must have been paid in by the warehouseman and he shall not have been otherwise reimbursed for it.

(3) The warehouseman must furnish the descriptive data on all freight bills

or transit tonnage slips on all eligible beans received into the storage facility at the time and in the manner stipulated in the storage agreement in effect with CCC for the 1949 crop.

(4) The freight bills or transit tonnage slips must be made available to CCC in accordance with the provisions of the storage agreement in effect with CCC.

(5) Only 1 transit stop has been used on the billing.

(6) The freight bills are otherwise acceptable to CCC under the terms of the storage agreement.

If the producer has been required to pay the in-bound freight, or to reimburse the warehouseman for it, CCC will reimburse the producer such costs, provided all applicable provisions of this subsection have been complied with.

All reimbursements for freight under this subsection shall be made by the appropriate PMA Commodity Office subsequent to actual delivery of the beans to CCC pursuant to a loan or purchase agreement, and subject to such further regulations as CCC may prescribe.

§ 603.124 *PMA commodity offices.* PMA commodity offices and the areas served by them are shown below:

Address and Area

Atlanta 3, Ga., 449 West Peachtree Street NE.; Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia.

Chicago 5, Ill., 623 South Wabash Avenue; Illinois, Indiana, Iowa, Michigan, Ohio.

Dallas 2, Tex., 1114 Commerce Street; Arkansas, Louisiana, New Mexico, Oklahoma, Texas.

Kansas City 7, Mo., Postal Building, 802 Delaware Avenue; Colorado, Kansas, Missouri, Nebraska, Wyoming.

Minneapolis 1, Minn., 328 McKnight Building; Minnesota, Montana, North Dakota, South Dakota, Wisconsin.

New York 4, N. Y., 67 Broad Street, Room 1304; Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia.

Portland 5, Oreg., 515 Southwest Tenth Avenue; Idaho, Oregon, Washington.

San Francisco 2, Calif., 30 Van Ness Avenue; Arizona, California, Nevada, Utah.

Issued this 22d day of August 1949.

[SEAL] ELMER F. KRUSE,
Manager,
Commodity Credit Corporation.

Approved:

FRANK K. WOOLLEY,
Vice President,
Commodity Credit Corporation.

[F. R. Doc. 49-6905; Filed, Aug. 25, 1949;
8:59 a. m.]

TITLE 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

PART 416—CORN CROP INSURANCE

SUBPART — REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The Federal Crop Insurance Program is part of the general program of the United States Department of Agriculture

administered for the benefit of agriculture.

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, the "Regulations for Continuous Contracts for the 1949 and Succeeding Crop Years" as amended (13 F. R. 6467, 6623, 7 CFR 416.1 et seq.; 14 F. R. 4547), which shall continue in full force and effect for the 1949 crop year, are hereby amended for the 1950 and succeeding crop years to read as set forth below. The provisions of this subpart shall, until amended or superseded, apply to all continuous corn contracts as they relate to the 1950 and succeeding crop years.

- Sec.
- 416.1 Availability of corn crop insurance.
 - 416.2 Coverages per acre.
 - 416.3 Premium rates.
 - 416.4 Application for insurance.
 - 416.5 The contract.
 - 416.6 Reduction of premium based on good experience.
 - 416.7 Person to whom indemnity shall be paid.
 - 416.8 Public notice of indemnities paid.
 - 416.9 Death, incompetence, or disappearance of insured.
 - 416.10 Fiduciaries.
 - 416.11 Assignment or transfer of claims for refunds of excess note payments not permitted.
 - 416.12 Refund of excess note payments in case of death, incompetence, or disappearance.
 - 416.13 Creditors.
 - 416.14 Rounding of fractional units.
 - 416.15 Changes in continuous contracts covering the 1949 and succeeding crop years.
 - 416.16 The commodity coverage policy.
 - 416.17 The monetary coverage policy.

AUTHORITY: §§ 416.1 to 416.17 issued under secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73-75, as amended, 61 Stat. 718; 7 U. S. C. and Sup., 1507 (c), 1508, 1509.

§ 416.1 *Availability of corn crop insurance.* (a) Corn crop insurance under continuous contracts will be provided only in accordance with this subpart in not to exceed the number of counties prescribed by the Federal Crop Insurance Act, as amended. A list of these counties will be published annually by amendment to this section.

(b) Insurance on either a commodity coverage basis or a monetary coverage basis may be offered under this subpart. However, insurance on only one such basis will be offered in a county. The type of coverage applicable to each county will be designated (1) by the Corporation and shown on the county actuarial table and (2) by amendment to this section.

(c) Insurance will not be provided with respect to applications for corn insurance filed in a county in accordance with this subpart unless such written applications, together with corn crop insurance contracts in force for the ensuing crop year, cover the minimum number of farms prescribed by the Federal Crop Insurance Act, as amended. For this purpose an insurance unit shall be counted as one farm.

§ 416.2 *Coverages per acre.* The Corporation shall establish coverages per acre by areas which shall not be in

excess of the maximum limitations prescribed in the Federal Crop Insurance Act, as amended. Coverages so established shall be shown on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect. The coverage per acre for any specific acreage shall be the coverage approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 416.3 *Premium rates.* The Corporation shall establish premium rates per acre by areas for all acreage for which coverages are established and such rates shall be those deemed adequate to cover claims for corn crop losses and to provide a reasonable reserve against unforeseen losses. Premium rates so established shall be shown on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect. The premium rate per acre for any specific acreage shall be the premium rate approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 416.4 *Application for insurance.* Application for insurance on a form entitled "Application for Corn Crop Insurance" may be made by any person to cover his interest as landlord, owner-operator, or tenant in a corn crop. For any crop year applications shall be submitted to the county office on or before April 30 preceding such crop year.

§ 416.5 *The contract.* Upon acceptance of an application for insurance by a duly authorized representative of the Corporation, the contract shall be in effect and will consist of the application and the policy issued by the Corporation. The provisions of the commodity coverage policy are shown in § 416.16 and the provisions of the monetary coverage policy are shown in § 416.17.

§ 416.6 *Reduction of premium based on good experience.* The insured's annual premium for any year may be reduced 25 percent in the case of either commodity coverage insurance or monetary coverage insurance if he has had seven consecutively insured corn crops (immediately preceding the current crop year) without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium for any year may be reduced as follows: (a) Not to exceed 25 percent for commodity coverage insurance if it is determined by the Corporation that his accumulated balance, expressed in bushels of premiums over indemnities on consecutively insured corn crops (ending with the current crop year) exceeds his total coverage (computed on a harvested acreage basis), or (b) not to exceed 25 percent for monetary coverage insurance if it is determined by the Corporation that the cash equivalent (based on the predetermined price for that crop year) of his accumulated balance, expressed in bushels of premiums over indemnities on consecutively insured corn crops (ending with the current crop year) exceeds

his total coverage (computed on a harvested acreage basis). As used in this section, "consecutively insured crops" means corn crops insured in consecutive years during which insurance was available. Failure to apply for insurance for any year when insurance is offered in the county in which the insured's farm is located shall break the insured's continuity of consecutively insured crops as of such year, even though insurance may not be provided in the county during such year because of failure to meet the minimum participation requirement: *Provided, however*, That failure to apply for insurance for any year will not break the continuity of consecutively insured crops, if (1) the failure to apply for insurance was due to service in active military or naval service of the United States, or (2) the insured establishes to the satisfaction of the Corporation, that failure to apply for insurance for any crop year was due to the fact that corn was not planted in that year. Nothing in this section shall create in the insured any right to a reduced premium.

§ 416.7 *Person to whom indemnity shall be paid.* (a) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits of the contract under the provisions of this subpart, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered, or entered therein. No officer, agent, or employee of the Corporation shall, because of any such process, order, or decree, pay or cause to be paid to any person other than the insured or other person entitled to the benefits of the contract, any indemnity payable in accordance with the provisions of the contract. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(b) The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which indemnity payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive and payment of an indemnity to such person(s) shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

§ 416.8 *Public notice of indemnities paid.* The Corporation shall provide for posting annually in each county at the county courthouse of a list of indemnities for losses on farms in such county.

§ 416.9 *Death, incompetence, or disappearance of insured.* (a) If the insured dies, is judicially declared incom-

petent, or disappears after planting the corn crop in any year, and his insured interest in the corn crop is a part of his estate, any indemnity shall be paid to the legal representative of his estate, if one is appointed or is duly qualified. If no such representative is or will be so qualified the indemnity shall be paid to the persons beneficially entitled to share in the insured interest in the crop or to any one or more of such persons on behalf of all such persons: *Provided, however*, That if the indemnity exceeds \$500, the Corporation may withhold the payment of the indemnity until a legal representative of the insured's estate is duly qualified to receive such payment.

(b) If the insured dies, is judicially declared incompetent or disappears after the planting of the corn crop in any year but before the time of loss, and his interest in the crop is not a part of his estate at such time, the indemnity, if any, shall be paid to the person(s) who succeeded to his interest in the crop in the manner provided for in the corn crop insurance policy.

(c) If an applicant for insurance or the insured, as the case may be, dies, is judicially declared incompetent, or disappears less than 15 days before the closing date for the filing of applications for insurance in any year, and before the beginning of planting of the corn crop in such year, whoever succeeds him on the farm with the right to plant the corn crop as his heir or heirs, administrator, executor, guardian, committee, or conservator, shall be substituted for the original applicant or the insured upon filing with the county office, within 15 days (unless such period is extended by the Corporation) after the date of such death, judicial declaration, or termination of the period which establishes disappearance within the meaning of this subpart, or before the date of the beginning of planting, whichever is earlier, a statement in writing in the form and manner prescribed by the Corporation, requesting such substitution and agreeing to assume the obligations of the original applicant or the insured arising out of such application or the contract: *Provided, however*, That any substitution made pursuant to this paragraph shall be effective only with respect to the corn crop to be planted in the ensuing crop year, and the contract shall terminate at the end of such year. If no such statement is filed, as required by this paragraph, the original application shall be void or the contract shall terminate as the case may be.

(d) In case of death of the insured after the planting of the corn crop is begun for any crop year, any additional acreage of corn which is planted for the insured's estate for that crop year shall be covered by the contract.

(e) Subject to the provisions of paragraph (c) of this section, the contract shall terminate upon death, judicial declaration of incompetence, or disappearance of the insured, except that if such death, judicial declaration of incompetence, or disappearance occurs after the planting of the corn crop in any crop year but before the end of the insurance period for such year, the contract shall terminate at the end of such insurance period.

(f) The insured shall be deemed to have disappeared within the meaning of this subpart if he fails to file with the county office written notice of his new mailing address within 180 calendar days after any communication by or on behalf of the Corporation is returned undeliverable at the last known address of the insured.

§ 416.10 *Fiduciaries.* Any indemnity payable under a contract entered into in the name of a fiduciary who is no longer acting in such capacity at the time for the payment of indemnity will be made to the succeeding fiduciary upon appropriate application and proof satisfactory to the Corporation of his incumbency. If there is no succeeding fiduciary, payment of the indemnity shall be made to the persons beneficially entitled under this subpart to the insured interest in the crop, to the extent of their respective interests, upon proper application and proof of the facts: *Provided, however*, That the settlement may be made with any one or more of the persons in behalf of all the persons so entitled, whether or not the person to whom payment is made has been authorized by the other interested persons to receive such payment.

§ 416.11 *Assignment or transfer of claims for refunds of excess note payments not permitted.* No claim for a refund of an excess note payment or any part thereof, or any interest therein, shall be assignable or transferable, notwithstanding any assignment of the contract or any transfer of interest in any corn crop covered by the contract. Refund of any excess note payment will be made only to the person who made such payment except as provided in § 416.12.

§ 416.12 *Refund of excess note payments in case of death, incompetence, or disappearance.* In any case where a person who is entitled to a refund of an excess note payment has died, has been judicially declared incompetent, or has disappeared, the provisions of § 416.9 with reference to the payment of indemnities in any such case shall be applicable with respect to the making of any such refund.

§ 416.13 *Creditors.* An interest (including an involuntary transfer) in an insured corn crop because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

§ 416.14 *Rounding of fractional units.* The total coverage shall be rounded to whole bushels for commodity coverage insurance and to cents for monetary coverage insurance. In any case, the premium and the value of production shall be rounded to cents and the total production shall be rounded to whole bushels. Fractions of acres shall be rounded to tenths of acres. Computations shall be carried one digit beyond the digit that is to be rounded. If the last digit is 1, 2, 3, or 4, the rounding shall be downward. If the last digit is 5, 6, 7, 8, or 9, the rounding shall be upward.

§ 416.15 *Changes in continuous contracts covering the 1949 and succeeding crop years.* The commodity coverage and monetary coverage corn crop insur-

ance policies issued for 1949 and succeeding crop years shall be amended for 1950 and succeeding crop years by rider so that the terms and conditions of such policies will conform with the terms and conditions of the applicable policy set forth herein.

§ 416.16 *The commodity coverage policy.* The provisions of the commodity coverage policy for 1950 and succeeding crop years are as follows:

In consideration of the representations and provisions in the application upon which this policy is issued, which application is made a part of the contract, and subject to the terms and conditions set forth or referred to herein, the Federal Crop Insurance Corporation (hereinafter designated as the Corporation) does hereby insure

(Name)

(Policy number)

(Address)

(County)

(State)

(hereinafter designated as the insured) against unavoidable loss of production on his corn crop due to drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. In witness whereof, the Federal Crop Insurance Corporation has caused this policy to be issued this ----- day of -----, 19-----.

FEDERAL CROP INSURANCE
CORPORATION

By -----
State Crop Insurance Director.

TERMS AND CONDITIONS

1. *Kind of corn insured.* The corn to be insured shall be corn planted for harvest as grain and shall include only corn which is normally regarded as field corn. The contract shall not provide insurance for true type silage corn or thick-planted corn for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

2. *Insurable acreage.* For each crop year of the contract, any acreage is insurable only if a coverage therefor is shown on the county actuarial table (including maps and related forms) by not later than April 30 preceding that crop year.

3. *Responsibility of insured to report acreage and interest.* (a) Promptly after planting the corn crop each year, the insured shall submit to the Corporation, on a form entitled "Corn Crop Insurance Acreage Report," a report over his signature of all acreage in the county planted to corn in which he has an interest at the time of planting. This report shall show the acreage of corn for each insurance unit and his interest in each at the time of planting. If the insured does not have an insurable interest in corn planted in any year, the acreage report shall nevertheless be submitted promptly after the planting of corn is generally completed in the county. Any acreage report submitted by the insured shall be considered final and not subject to change by the insured.

(b) The Corporation may elect to determine that the insured acreage is "zero" if the insured fails to file an acreage report within 30 days after planting of corn is generally completed in the county, as determined by the Corporation.

(c) Failure of the county office to request submission of such report or to send a personal representative to obtain the report shall not relieve the insured of the responsibility to make such report.

4. *Insured acreage.* The insured acreage with respect to each insurance unit shall be the acreage of corn planted as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect, except that insurance shall not attach with respect to (a) any acreage planted to corn which is destroyed or substantially destroyed (as defined in section 15 (a)) and on which it is practical to replant to corn, as determined by the Corporation, and such acreage is not replanted to corn, or (b) any acreage initially planted to corn too late to expect a normal crop to be produced, as determined by the Corporation. The Corporation reserves the right to limit the insured acreage to the corn acreage allotment or permitted acreage established under any act of Congress including the Agricultural Adjustment Act of 1938, as amended.

5. *Insured interest.* The insured interest in the corn crop covered by the contract shall be the interest of the insured at the time of planting as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect. For the purpose of determining the amount of loss the insured interest shall not exceed the insured's actual interest at the time of loss or the beginning of harvest whichever occurs first.

6. *Coverage per acre.* The coverage per acre shall be the applicable number of bushels of corn established for the area in which the insured acreage is located, and shall be shown on the county actuarial table on file in the county office. The coverage per acre is progressive depending upon whether the acreage is (a) released and planted to a substitute crop, (b) not harvested and not seeded to a substitute crop, or released and fed to livestock in the field, or (c) harvested or to be harvested.

7. *Fixed price for valuing amount of loss.* For each crop year of the contract the amount of any indemnity shall be determined by multiplying the number of bushels of corn approved as the amount of loss for the insured by the fixed price per bushel for such year. The fixed price per bushel for the 1950 crop year shall be the applicable 1949 county corn loan rate per bushel established by the United States Department of Agriculture. For any subsequent crop year, notice of any change in the fixed price from the prior crop year shall be mailed by the Corporation to the insured not later than March 15 preceding the crop year for which the new price applies. Each year the fixed price shall be on file in the county office.

8. *Insurance period.* Insurance with respect to any insured acreage shall attach at the time the corn is planted. Insurance shall cease with respect to any portion of the corn crop covered by the contract upon harvesting or removal from the field, and with respect to any insurance unit upon submission of a claim for indemnity, but in no event shall the insurance remain in effect later than December 10 of each year, unless such time is extended in writing by the Corporation.

9. *Life of contract, cancellation thereof.* (a) Subject to the provisions of paragraph (d) of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until canceled by either the insured or the Corporation. Cancellation for any year may be made by either party giving written notice to the other party on or before March 31 of the year for which cancellation is to become effective. Any notice of cancellation given by the insured to the Corporation shall be submitted in writing to the county office.

(b) If the insured cancels the contract he shall not be eligible for corn crop insurance in the county for the next succeeding crop

year unless he subsequently files an application for insurance on or before March 31 preceding such year.

(c) If for two consecutive crop years no corn in which the insured has an insurable interest is planted in the county, the contract shall terminate.

(d) If the minimum participation requirement as established by the Corporation is not met for any year the contract shall continue in force only to the end of the crop year for which such requirement is not met, except that if the minimum participation requirement is met on or before the next succeeding April 30, the contract shall continue to be in force.

10. *Changes in contract.* The Corporation reserves the right to change the premium rate(s), insurance coverage(s) and other terms and provisions of the contract from year to year. Notice of such changes shall be mailed to the insured on or before March 15 preceding the crop year for which such changes are to become effective. Failure of the insured to cancel the contract as provided in section 9 shall constitute his acceptance of any such changes. If no notice is mailed to the insured, the terms and provisions of the contract for the prior year shall continue in force.

11. *Causes of loss not insured against.* The contract shall not cover loss of production caused by: (a) Failure to follow recognized good farming practices; (b) poor farming practices, including but not limited to the use of defective or unadapted seed, overplanting or underplanting, failure properly to prepare the land for planting or properly to plant, care for or harvest the insured crop (including unreasonable delay thereof); (c) following different fertilizer or farming practices than those considered in establishing the coverage per acre; (d) planting corn on land which is generally not considered capable of producing a corn crop comparable to that produced on the land considered in establishing the coverage per acre; (e) planting a variety of corn which differs materially in yield from the variety considered in establishing the coverage per acre; (f) planting corn under conditions of immediate hazard; (g) inability to obtain labor, seed, fertilizer, machinery, repairs or insect poison; (h) breakdown of machinery, or failure of equipment due to mechanical defects; (i) neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant or wage hand; (j) domestic animals or poultry; (k) action of any person, or state, county, or municipal government in the use of chemicals for the control of weeds, or (l) theft.

12. *Amount of annual premium.* (a) The premium rate per acre will be the applicable number of dollars established by the Corporation for the coverage and rate area in which the insured acreage is located and will be shown on the county actuarial table on file in the county office. The annual premium for each insurance unit under the contract will be based upon (1) the insured acreage of corn, (2) the applicable premium rate(s), and (3) the insured interest in the crop at the time of planting. There will be a reduction in the annual premium for each insurance unit of two percent in cases where the insured acreage on the insurance unit is as much as 50 acres and does not exceed 99.9 acres, and an additional two percent reduction for each additional 50 acres or fraction thereof on the insurance unit. However, the total reduction shall not exceed 20 percent. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The annual premium with respect to any insured acreage shall be regarded as earned when the corn crop on such acreage is planted.

(b) The insured's annual premium may be reduced in any year 25 percent if he has had seven consecutively insured corn crops (immediately preceding the current crop

year) without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium may be reduced in any year not to exceed 25 percent if it is determined by the Corporation that his accumulated balance (expressed in bushels) of premiums over indemnities on consecutively insured corn crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph (b) shall create in the insured any right to a reduced premium.

13. *Manner of payment of premium.* (a) The applicant executes a premium note by signing the application for corn crop insurance. This note represents a promise to pay to the Corporation annually during the life of the contract, on or before August 15 (the maturity date) of each year, the premium for all insurance units covered by the contract.

(b) A discount of five percent shall be allowed on any earned annual premium which is paid in full on or before June 30 if the insured has submitted to the Corporation at the county office his corn acreage report promptly after planting but not later than June 30 of such crop year.

(c) Any premium note not paid at maturity shall bear interest computed not on a per annum basis but as follows: Three percent on the amount not paid on or before October 31 following the maturity date, and an additional one percent on the principal amount unpaid at the end of each two-month period thereafter.

(d) Payment on any annual premium shall be made by means of cash or by check, money order, postal note, or bank draft payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection and payments tendered shall not be regarded as paid unless collection is made.

(e) Any unpaid amount of any annual premium plus any interest due may be deducted (either before or after the date of maturity) from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payment made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture. There shall be no refund of any annual premium overpayment of less than \$1.00 unless written request for such refund is received by the Corporation within one year after the payment thereof.

14. *Notice of loss or damage.* (a) If a loss under the contract is probable, notice in writing (unless otherwise provided by the Corporation) shall be given the Corporation at the county office immediately after any material damage to the insured crop. The crop shall not be harvested (except as provided in section 15 (b)), removed or any other use made of it until it has been inspected by the Corporation.

(b) If, at the completion of harvesting of the insured corn crop, a loss under the contract has been sustained, notice in writing (unless otherwise provided by the Corporation) shall be given immediately to the Corporation at the county office. If such notice is not given within 15 days after harvest is completed, the Corporation reserves the right to reject any claim for indemnity. This notice is in addition to any notice required by paragraph (a) of this section.

15. *Released acreage and released crop.* (a) Any insured acreage on which the corn crop has been destroyed or substantially destroyed may be released by the Corporation for planting to a substitute crop or to be put to another use. The corn crop shall be deemed to have been substantially destroyed if the Corporation determines that it has been so badly damaged that farmers generally in the area, where the land is located, and on whose farms similar damage occurred, would not further care for the crop or har-

vest any portion thereof. No insured acreage may be planted to a substitute crop or put to another use until the Corporation releases such acreage. On any acreage where the corn has been partially destroyed but not released by the Corporation, proper measures shall be taken to protect the crop from further damage. There shall be no abandonment of any crop or portion thereof to the Corporation.

(b) The corn crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested except that such corn crop may be used for ensilage or fodder without a release by the Corporation provided the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

16. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period, unless the entire corn crop on the insurance unit was destroyed or substantially destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such damage, as determined by the Corporation.

17. *Proof of loss.* If a loss is claimed, the insured shall submit to the Corporation a form entitled "Statement in Proof of Loss," containing such information regarding the manner and extent of the loss as may be required by the Corporation. The statement in proof of loss shall be submitted not later than sixty days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. It shall be a condition precedent to any liability under the contract that the insured establish the amount of any loss for which claim is made, and that such loss has been directly caused by one or more of the hazards insured against by the contract during the insurance period for the crop year for which the loss is claimed, and that the insured further establish that the loss has not arisen from or been caused by, either directly or indirectly, any of the causes of loss not insured against by the contract.

18. *Insurance unit.* Losses shall be determined separately for each insurance unit except as provided in section 19 (b). An insurance unit consists of (a) all the insurable acreage of corn in the county in which the insured has 100 percent interest in the crop at the time of planting, or (b) all the insurable acreage of corn in the county owned by one person which is operated by the insured as a share tenant at the time of planting, or (c) all the insurable acreage of corn in the county which is owned by the insured and is rented to one share tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee. For any crop year of the contract acreage shall be considered to be located in the county if a coverage therefor is shown on the county actuarial table.

19. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by multiplying the planted acreage (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre and subtracting therefrom the total production for the planted acreage and multiplying the remainder by the insured interest. However, if the planted acreage on the insurance unit exceeds the insured acreage on the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the insured acreage to the planted acreage, or if the premium computed for the acreage and interest shown on the acreage report is less than the premium computed for the planted acreage, the amount of loss determined for the planted acreage may be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage, if the Corporation so elects. The total production for an insurance unit shall include all production determined in accordance with the schedule below. The Corporation reserves the right to determine the amount of production on the basis of appraisal of unharvested corn standing in the field.

SCHEDULE

Acreage classification

1. Acreage of corn harvested (exclusive of any acreage shown in item 3 below).

2. Acreage of corn to be harvested.

3. Acreage on which the Corporation determines that the corn (i) is not eligible for a Commodity Credit Corporation loan because of the quality of the corn and would not meet loan requirements, if properly handled, and (ii) has a value per bushel which is less than the fixed price.

4. Acreage of corn used for ensilage or fodder.

5. Acreage of corn released by the Corporation and planted to a substitute crop.

6. Acreage of corn released for feeding to livestock in the field and any other acreage not harvested (and not to be harvested) and not planted to a substitute crop.

7. Acreage of corn put to another use without being released by the Corporation except corn used for ensilage or fodder as provided in section 15 (b).

8. Acreage of corn with reduced yield due solely to any cause(s) not insured against.

9. Acreage of corn with reduced yield due partially to a cause(s) not insured against and partially to a cause(s) insured against.

Total production in bushels

1. Actual production of harvested corn plus appraised production of any corn left in the field after harvest.

2. The appraised production of unharvested corn at the time of submission of a statement in proof of loss or the appraised production of any corn remaining unharvested December 10.

3. The number of bushels obtained by (i) multiplying the actual production by the value per bushel as determined by the Corporation, and (ii) dividing the result thus obtained by the fixed price.

4. Appraised production.

5. That portion of the appraised production which is in excess of the coverage for such acreage.

6. That portion of the appraised production which is in excess of the number of bushels determined by subtracting (i) the coverage for such acreage from (ii) the coverage for such acreage if it were harvested.

7. Appraised production but not less than the product of (i) such acreage and (ii) the coverage per acre for harvested acreage.

8. Appraised number of bushels by which production has been reduced but not less than the product of (i) such acreage and (ii) the coverage per acre, minus any corn harvested.

9. Appraised number of bushels by which production has been reduced because of any cause(s) not insured against.

(b) If the production from two or more insurance units is commingled and the insured fails to establish and maintain records satisfactory to the Corporation of acreage or the production from each, the insurance with respect to such units may be voided by the Corporation for the crop year and the premium forfeited by the insured. However, if all the component parts are insured the total coverage for the component parts may be considered as the total coverage for the combination, if the Corporation so elects, in which case any loss for such combination shall be determined as outlined in paragraph (a) of this section. Where the insured fails to establish and maintain separate records, satisfactory to the Corporation, of uninsured acreage and production therefrom and for one or more insurance units or portions thereof, and production from such acreage which is commingled with production from the insured acreage shall be considered to have been produced on the insured acreage, or the insurance with respect to such units(s) under the contract may be voided by the Corporation for the crop year and the premium forfeited by the insured.

(c) The cash amount of the indemnity shall be determined by multiplying the amount of the loss in bushels by the fixed price.

20. *Payment of indemnity.* (a) Indemnities shall be paid only by check. The amount of indemnity for which the Corporation may be liable will be payable within thirty days after satisfactory proof of loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damages on account of such delay.

(b) Indemnities shall be subject to all provisions of the contract, including the right of the Corporation to deduct from any indemnity the unpaid amount of any earned premium plus any interest due or any other obligation of the insured to the Corporation.

(c) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits under the provisions of the contract, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy, directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered or entered therein. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(d) If a check issued in payment of an indemnity is returned undeliverable at the last known address of the payee, and if such payee or other person entitled to the indemnity makes no claim for payment within two years after the issuance of the check, such claim shall not thereafter be payable, except with the consent of the Corporation.

21. *Payment to transferee.* (a) If the insured transfers all or a part of his insured interest in a corn crop before the beginning of harvest or the time of loss, whichever occurs first, he shall immediately notify the Corporation thereof in writing at the county office. The transferee under such a transfer will be entitled to the benefits of the contract with respect to the interest so transferred, provided the transferee immediately following the transfer makes suitable arrangements with the Corporation for the payment of any premium with respect to the interest so transferred, whereupon the transferee and the transferor shall be jointly and

severally liable for the amount of such premium. Any transfer shall be subject to any collateral assignment made by the original insured in accordance with section 25. However, the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than would have been paid if the transfer had not taken place.

(b) An involuntary transfer of an insured interest in a corn crop solely because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

(c) Any deduction to be made from an indemnity payable to the transferee shall not exceed the annual premium plus any interest due on the land involved in the transfer for the crop year in which the transfer is made, plus the unpaid amount of any other obligation of the transferee to the Corporation.

(d) If, as a result of any transfer, diverse interests appear with respect to any insurance unit, any indemnity payable with respect to such unit may be paid jointly to all persons having the insured interest in the crop at the time harvest is commenced or the time of loss, whichever occurs first, or to one of such persons on behalf of all such persons, and payment in any such manner shall constitute a complete discharge of the Corporation's liability with respect to such unit under the contract.

(e) If a transfer is effected in accordance with paragraph (a) above, the contract of the transferor shall cover the interest so transferred only to the end of the insurance period for the crop year during which the transfer is made.

22. *Determination of person to whom indemnity shall be paid.* In any case where the insured has transferred his interest in all or a part of the corn crop on any insurance unit, or has ceased to act as a fiduciary, or has died, has been judicially declared incompetent or has disappeared, payment in accordance with the provisions of the contract will be made only after the facts have been established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive. Payment of an indemnity under this section shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

23. *Other insurance.* (a) If the insured has or acquires any other insurance against substantially all the risks that are insured against by the Corporation under the contract, regardless of whether such other insurance is valid or collectible, the liability of the Corporation shall not be greater than its share would be if the amount of its obligations were divided equally between the Corporation and such other insurer.

(b) In any case where an indemnity is paid to the insured by another Government agency because of damage to the corn crop, the Corporation reserves the right to determine its liability under the contract taking into consideration the amount paid by such other agency.

24. *Subrogation.* The Corporation may require from the insured an assignment of all rights of recovery against any person(s) for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

25. *Collateral assignment.* The original insured may assign his right to an indemnity under the contract by executing a form entitled "Collateral Assignment" and upon ap-

proval thereof by the Corporation the interest of the assignee will be recognized, including the right of the assignee to submit a "Statement in Proof of Loss" if the insured refuses to submit or disappears without having submitted such statement.

26. *Records and access to farm.* For the purpose of enabling the Corporation to determine any loss that may have occurred under the contract, the insured shall keep, or cause to be kept, for one year after the time of loss, records of the harvesting, storage, shipment, sale, or other disposition, of all corn produced on each insurance unit covered by the contract, and on any uninsured acreage in the county in which he has an interest. Such records shall be made available for examination by the Corporation, and as often as may be reasonably required, any person(s) designated by the Corporation shall have access to the farm(s).

27. *Avoidance of contract.* The contract may be voided and the premium forfeited to the Corporation without the Corporation waiving any right or remedy, including its right to collect the amount of the note executed by the insured, whether before or after maturity, if (a) at any time the insured has concealed any material fact or made any false or fraudulent statements relating to the contract, the subject thereof, or his interests in the corn crop covered thereby, or (b) the insured shall neglect to use all reasonable means to produce, care for or save the corn crop covered thereby, whether before or after damage has occurred, or (c) the insured fails to give any notice, or otherwise fails to comply with the terms of the contract, including the note, at the time and in the manner prescribed.

28. *Modification of contract.* No notice to any representative of the Corporation or knowledge possessed by any such representative or by any other person shall be held to effect a waiver of or change in any part of the contract, or to estop the Corporation from asserting any right or power under such contract; nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation; nor shall any provision or condition of the contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers thereunder or by any requirement, act, or proceeding on the part of the Corporation or of its representatives relating to appraisal or to any examination herein provided for.

29. *General.* (a) In addition to the terms and provisions in the application and policy, the Corn Crop Insurance Regulations for Continuous Contracts in effect for the crop year involved shall govern with respect to (1) death, incompetence, or disappearance of the insured, (2) fiduciaries, (3) prohibition against assignment or transfer of claims for refunds, (4) rounding of fractional units, (5) creditors, (6) minimum participation requirements, and (7) reduction of premium based on good experience.

(b) Copies of the regulations and forms referred to in this policy are available at the county office.

30. *Meaning of terms.* For the purpose of the corn crop insurance program, the terms:

(a) "Contract" means the accepted application for insurance and this policy.

(b) "County Actuarial Table" means the form and related material (including the crop insurance maps) approved by the Corporation for listing the coverages per acre and the premium rates per acre applicable in the county.

(c) "County office" means the office of the county Agricultural Conservation Association in the county or other office specified by the Corporation.

(d) "Crop year" means the period from May 1 to December 10, inclusive, and for any

year shall be designated by reference to the applicable calendar year.

(e) "Harvest" means picking the corn from the stalk either by hand or machine, or cutting the corn for fodder or ensilage.

(f) "Person" means an individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity and, wherever applicable, a state, political subdivision of a state, or any agency thereof.

(g) "Substitute crop" means any crop other than corn planted on released acreage for harvest in the same crop year.

(h) "Tenant" means a person who rents land from another person for a share of the corn crop or proceeds therefrom produced on such land.

§ 416.17 The monetary coverage policy. The provisions of the monetary coverage policy for 1950 and succeeding crop years are as follows:

In consideration of the representations and provisions in the application upon which this policy is issued, which application is made a part of the contract, and subject to the terms and conditions set forth or referred to herein, the Federal Crop Insurance Corporation (hereinafter designated as the Corporation) does hereby insure

(Name)

(Policy number)

(Address)

(County)

(State)

(hereinafter designated as the insured) against unavoidable loss on his corn crop due to drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. In witness whereof, the Federal Crop Insurance Corporation has caused this policy to be issued this ----- day of -----, 19-----.

FEDERAL CROP INSURANCE
CORPORATION,

By -----
State Crop Insurance Director.

TERMS AND CONDITIONS

1. Kind of corn insured. The corn to be insured shall be corn planted for harvest as grain and shall include only corn which is normally regarded as field corn. The contract shall not provide insurance for true type silage corn or thick-planted corn planted for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn or any type of corn other than that normally regarded as field corn.

2. Insurable acreage. For each crop year of the contract, any acreage is insurable only if a coverage therefor is shown on the county actuarial table (including maps and related forms) by not later than April 30 preceding that crop year.

3. Responsibility of insured to report acreage and interest. (a) Promptly after planting the corn crop each year, the insured shall submit to the Corporation, on a form entitled "Corn Crop Insurance Acreage Report," a report over his signature of all acreage in the county planted to corn in which he has an interest at the time of planting. This report shall show the acreage of corn for each insurance unit and his interest in each at the time of planting. If the insured does not have an insurable interest in corn planted in any year, the acreage report shall nevertheless be submitted promptly after the planting of corn is generally completed in

the county. Any acreage report submitted by the insured shall be considered final and not subject to change by the insured.

(b) The Corporation may elect to determine that the insured acreage is "zero" if the insured fails to file an acreage report within 30 days after planting of corn is generally completed in the county, as determined by the Corporation.

(c) Failure of the county office to request submission of such report or to send a personal representative to obtain the report shall not relieve the insured of the responsibility to make such report.

(4) **Insured acreage.** The insured acreage with respect to each insurance unit shall be the acreage of corn planted as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect, except that insurance shall not attach with respect to (a) any acreage planted to corn which is destroyed or substantially destroyed (as defined in section 15 (a)) and on which it is practical to replant to corn, as determined by the Corporation, and such acreage is not replanted to corn, or (b) any acreage initially planted to corn too late to expect a normal crop to be produced, as determined by the Corporation. The Corporation reserves the right to limit the insured acreage to the corn acreage allotment or permitted acreage established under any act of Congress including the Agricultural Adjustment Act of 1938, as amended.

5. Insured interest. The insured interest in the corn crop covered by the contract shall be the interest of the insured at the time of planting as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect. For the purpose of determining the amount of loss the insured interest shall not exceed the insured's actual interest at the time of loss or the beginning of harvest whichever occurs first.

6. Coverage per acre. The coverage per acre shall be the applicable number of dollars established for the area in which the insured acreage is located, and shall be shown on the county actuarial table on file in the county office. The coverage per acre is progressive depending upon whether the acreage is (a) released and planted to a substitute crop, (b) not harvested and not seeded to a substitute crop, or released and fed to livestock in the field, or (c) harvested or to be harvested.

7. Predetermined price for valuing production. In determining any loss under the contract, production shall be evaluated on the basis of a predetermined price per bushel established annually by the Corporation, except that if the Corporation determines in any year that any of the insured's corn is not eligible for a Commodity Credit Corporation loan because of the quality of the corn and would not meet loan requirements if properly handled, such corn shall be evaluated at the highest price obtainable (but not in excess of the predetermined price) as determined by the Corporation. The predetermined price for the 1950 crop year shall be the 1949 loan rate established by the United States Department of Agriculture for the county. For any subsequent crop year, notice of any change in the predetermined price from the prior crop year shall be mailed by the Corporation to the insured not later than March 15 preceding the crop year for which it applies. Each year the predetermined price shall be on file in the county office.

8. Insurance period. Insurance with respect to any insured acreage shall attach at the time the corn is planted. Insurance shall cease with respect to any portion of the corn crop upon harvesting or removal from the field, and with respect to any insurance unit upon submission of a claim for indemnity, but in no event shall the insurance remain in effect later than December 10

of each year, unless such time is extended in writing by the Corporation.

9. Life of contract, cancellation thereof.

(a) Subject to the provisions of paragraph (d) of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until canceled by either the insured or the Corporation. Cancellation for any year may be made by either party giving written notice to the other party on or before March 31 of the year for which cancellation is to become effective. Any notice of cancellation given by the insured to the Corporation shall be submitted in writing to the county office.

(b) If the insured cancels the contract he shall not be eligible for corn crop insurance in the county for the next succeeding crop year unless he subsequently files an application for insurance on or before March 31 preceding such year.

(c) If for two consecutive crop years no corn in which the insured has an insurable interest is planted in the county, the contract shall terminate.

(d) If the minimum participation requirement as established by the Corporation is not met for any year the contract shall continue in force only to the end of the crop year for which such requirement is not met, except that if the minimum participation requirement is met on or before the next succeeding April 30, the contract shall continue to be in force.

10. Changes in contract. The Corporation reserves the right to change the premium rate(s), insurance coverage(s) and other terms and provisions of the contract from year to year. Notice of such changes shall be mailed to the insured on or before March 15 preceding the crop year for which such changes are to become effective. Failure of the insured to cancel the contract as provided in section 9 shall constitute his acceptance of any such changes. If no notice is mailed to the insured, the terms and provisions of the contract for the prior year shall continue in force.

11. Causes of loss not insured against. The contract shall not cover loss of production caused by: (a) Failure to follow recognized good farming practices; (b) poor farming practices, including but not limited to the use of defective or unadapted seed, overplanting or underplanting, failure properly to plant, care for or harvest the insured crop (including unreasonable delay thereof); (c) following different fertilizer or farming practices than those considered in establishing the covering per acre; (d) planting corn on land which is generally not considered capable of producing a corn crop comparable to that produced on the land considered in establishing the coverage per acre; (e) planting a variety of corn which differs materially in yield from the variety considered in establishing the coverage per acre; (f) planting corn under conditions of immediate hazard; (g) inability to obtain labor, seed, fertilizer, machinery, repairs or insect poison; (h) breakdown of machinery, or failure of equipment due to mechanical defects; (i) neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant or wage hand; (j) domestic animals or poultry; (k) action of any person, or state, county, or municipal government in the use of chemicals for the control of weeds; or (l) theft.

12. Amount of annual premium. (a) The premium rate per acre will be the applicable number of dollars established by the Corporation for the coverage and rate area in which the insured acreage is located and will be shown on the county actuarial table on file in the county office. The annual premium for each insurance unit under the contract will be based upon (1) the insured acreage of corn, (2) the applicable premium rate(s), and (3) the insured interest in the

crop at the time of planting. There will be a reduction in the annual premium for each insurance unit of two percent in cases where the insured acreage on the insurance unit is as much as 50 acres and does not exceed 99.9 acres, and an additional two percent reduction for each additional 50 acres or fraction thereof on the insurance unit. However, the total reduction shall not exceed 20 percent. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The annual premium with respect to any insured acreage shall be regarded as earned when the corn crop on such acreage is planted.

(b) The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured corn crops (immediately preceding the current crop year) without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium may be reduced in any year not to exceed 25 percent if it is determined by the Corporation that the cash equivalent (based on the predetermined price for that crop year) of his accumulated balance, expressed in bushels, of premiums over indemnities on consecutively insured corn crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph (b) shall create in the insured any right to a reduced premium.

13. *Manner of payment of premium.* (a) The applicant executes a premium note by signing the application for corn crop insurance. This note represents a promise to pay to the Corporation annually during the life of the contract, on or before August 15 (the maturity date) of each year, the premium for all insurance units covered by the contract during the current year.

(b) A discount of five percent shall be allowed on any earned annual premium which is paid in full on or before June 30 if the insured has submitted to the Corporation at the county office his corn acreage report promptly after planting but not later than June 30 of such crop year.

(c) Any premium note not paid at maturity shall bear interest computed not on a per annum basis but as follows: Three percent on the amount not paid on or before October 31 following the maturity date, and an additional one percent on the principal amount unpaid at the end of each two month period thereafter.

(d) Payment on any annual premium shall be made by means of cash or by check, money order, postal note, or bank draft payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection and payments tendered shall not be regarded as paid unless collection is made.

(e) Any unpaid amount of any annual premium plus any interest due may be deducted (either before or after the date of maturity) from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payments made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture. There shall be no refund of any annual premium overpayment of less than \$1.00 unless written request for such refund is received by the Corporation within one year after the payment thereof.

14. *Notice of loss or damage.* (a) If a loss under the contract is probable, notice in writing (unless otherwise provided by the Corporation) shall be given the Corporation at the county office immediately after any material damage to the insured crop. The crop shall not be harvested (except as provided in section 15 (b)), removed, or any other use made of it until it has been inspected by the Corporation.

(b) If, at the completion of harvesting of the insured corn crop, a loss under the contract has been sustained, notice in writing (unless otherwise provided by the Corporation) shall be given immediately to the Corporation at the county office. If such notice is not given within 15 days after harvest is completed, the Corporation reserves the right to reject any claim for indemnity. This notice is in addition to any notice required by paragraph (a) of this section.

15. *Released acreage and released crop.* (a) Any insured acreage on which the corn crop has been destroyed or substantially destroyed may be released by the Corporation for planting to a substitute crop or to be put to another use. The corn crop shall be deemed to have been substantially destroyed if the Corporation determines that it has been so badly damaged that farmers generally in the area, where the land is located and on whose farms similar damage occurred, would not further care for the crop or harvest any portion thereof. No insured acreage may be planted to a substitute crop or put to another use until the Corporation releases such acreage. On any acreage where the corn has been partially destroyed but not released by the Corporation, proper measures shall be taken to protect the crop from further damage. There shall be no abandonment of any crop or portion thereof to the Corporation.

(b) The corn crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that such corn crop may be used for ensilage or fodder without a release by the Corporation provided the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

16. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period, unless the entire corn crop on the insurance unit was destroyed or substantially destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such damage, as determined by the Corporation.

17. *Proof of loss.* If a loss is claimed, the insured shall submit to the Corporation a form entitled "Statement in Proof of Loss," containing such information regarding the manner and extent of the loss as may be required by the Corporation. The statement in proof of loss shall be submitted not later than sixty days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. It shall be a condition precedent to any

liability under the contract that the insured establish the amount of any loss for which claim is made, and that such loss has been directly caused by one or more of the hazards insured against by the contract during the insurance period for the crop year for which the loss is claimed, and that the insured further establish that the loss has not arisen from or been caused by, either directly or indirectly, any of the causes of loss not insured against by the contract.

18. *Insurance unit.* Losses shall be determined separately for each insurance unit except as provided in section 19 (b). An insurance unit consists of (a) all the insurable acreage of corn in the county in which the insured has 100 percent interest in the crop at the time of planting, or (b) all the insurable acreage of corn in the county owned by one person which is operated by the insured as a share tenant at the time of planting, or (c) all the insurable acreage of corn in the county which is owned by the insured and is rented to one share tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee. For any crop year of the contract acreage shall be considered to be located in the county if a coverage therefor is shown on the county actuarial table.

19. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by multiplying the planted acreage (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre and subtracting therefrom the value (determined in accordance with section 7) of the total production for the planted acreage and multiplying the remainder by the insured interest. However, if the planted acreage on the insurance unit exceeds the insured acreage on the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the insured acreage to the planted acreage, or if the premium computed for the acreage and interest shown on the acreage report is less than the premium computed for the planted acreage, the amount of loss determined for the planted acreage may be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage, if the Corporation so elects. The total production for an insurance unit shall include all production determined in accordance with the schedule below. The Corporation reserves the right to determine the amount of production on the basis of appraisal of unharvested corn standing in the field.

SCHEDULE

Acreage classification

1. Acreage of corn harvested.
2. Acreage of corn to be harvested.
3. Acreage of corn used for ensilage or fodder.
4. Acreage of corn released by the Corporation and planted to a substitute crop.
5. Acreage of corn released for feeding to livestock in the field and any other acreage not harvested (and not to be harvested) and not planted to a substitute crop.
6. Acreage of corn put to another use without being released by the Corporation, except corn used for ensilage or fodder, as provided in section 15 (b)

Total production in bushels

1. Actual production of harvested corn plus appraised production of any corn left in the field after harvest.
2. The appraised production of unharvested corn at the time of submission of a statement in proof of loss or the appraised production of any corn remaining unharvested on December 10.
3. Appraised production.
4. That portion of the appraised production which is in excess of the number of bushels determined by dividing (i) the amount of coverage for such acreage by (ii) the predetermined price.
5. That portion of the appraised production which is in excess of the number of bushels determined by (i) subtracting the coverage for such acreage from what the coverage for such acreage would be if it were harvested and (ii) dividing the result thus obtained by the predetermined price.
6. Appraised production but not less than the product of (i) such acreage and (ii) the coverage per acre (for harvested acreage) divided by the predetermined price.

SCHEDULE—Continued

Acreage classification

7. Acreage of corn with reduced yield due solely to any cause(s) not insured against.

8. Acreage of corn with reduced yield due partially to a cause(s) not insured against and partially to a cause(s) insured against.

Total production in bushels

7. Appraised number of bushels by which production has been reduced but not less than the product of (i) such acreage and (ii) the coverage per acre (for harvested acreage) divided by the predetermined price, minus any corn harvested.

8. Appraised number of bushels by which production has been reduced because of any cause(s) not insured against.

(b) If the production from two or more insurance units is commingled and the insured fails to establish and maintain records satisfactory to the Corporation of acreage or the production from each, the insurance with respect to such units may be voided by the Corporation for the crop year and the premium forfeited by the insured. However, if all the component parts are insured the total coverage for the component parts may be considered as the total coverage for the combination, if the Corporation so elects, in which case any loss for such combination shall be determined as outlined in paragraph (a) of this section. Where the insured fails to establish and maintain separate records, satisfactory to the Corporation, of uninsured acreage and production therefrom and for one or more insurance units or portions thereof, any production from such acreage which is commingled with production from the insured acreage shall be considered to have been produced on the insured acreage, or the insurance with respect to such unit(s) under the contract may be voided by the Corporation for the crop year and the premium forfeited by the insured.

20. *Payment of indemnity.* (a) Indemnities shall be paid only by check. The amount of indemnity for which the Corporation may be liable will be payable within thirty days after satisfactory proof of loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damages on account of such delay.

(b) Indemnities shall be subject to all provisions of the contract, including the right of the Corporation to deduct from any indemnity the unpaid amount of any earned premium plus any interest due or any other obligation of the insured to the Corporation.

(c) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits under the provisions of the contract, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy, directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered or entered therein. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(d) If a check issued in payment of an indemnity is returned undeliverable at the last known address of the payee, and if such payee or other person entitled to the indemnity makes no claim for payment within two years after the issuance of the check, such claim shall not thereafter be payable, except with the consent of the Corporation.

21. *Payment to transferee.* (a) If the insured transfers all or a part of his insured interest in a corn crop before the beginning of harvest or the time of loss, whichever occurs first, he shall immediately notify the Corporation thereof in writing at the county

office. The transferee under such a transfer will be entitled to the benefits of the contract with respect to the interest so transferred, provided the transferee immediately following the transfer makes suitable arrangements with the Corporation for the payment of any premium with respect to the interest so transferred, whereupon the transferee and the transferor shall be jointly and severally liable for the amount of such premium. Any transfer shall be subject to any collateral assignment made by the original insured in accordance with section 25. However, the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than would have been paid if the transfer had not taken place.

(b) An involuntary transfer of an insured interest in a corn crop solely because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

(c) Any deduction to be made from an indemnity payable to the transferee shall not exceed the annual premium plus any interest due on the land involved in the transfer for the crop year in which the transfer is made, plus the unpaid amount of any other obligation of the transferee to the Corporation.

(d) If, as a result of any transfer, diverse interest appear with respect to any insurance unit, any indemnity payable with respect to such unit may be paid jointly to all persons having the insured interest in the crop at the time harvest is commenced or the time of loss, whichever occurs first, or to one of such persons on behalf of all such persons, and payment in any such manner shall constitute a complete discharge of the Corporation's liability with respect to such unit under the contract.

(e) If a transfer is effected in accordance with paragraph (a) above, the contract of the transferor shall cover the interest so transferred only to the end of the insurance period for the crop year during which the transfer is made.

22. *Determination of person to whom indemnity shall be paid.* In any case where the insured has transferred his interest in all or a part of the corn crop on any insurance unit, or has ceased to act as a fiduciary, or has died, has been judicially declared incompetent or has disappeared, payment in accordance with the provisions of the contract will be made only after the facts have been established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive. Payment of an indemnity under this section shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

23. *Other insurance.* (a) If the insured has or acquires any other insurance against substantially all the risks that are insured against by the Corporation under the contract, regardless of whether such other insurance is valid or collectible, the liability of

the Corporation shall not be greater than its share would be if the amount of its obligations were divided equally between the Corporation and such other insurer.

(b) In any case where an indemnity is paid to the insured by another Government agency because of damage to the corn crop, the Corporation reserves the right to determine its liability under the contract taking into consideration the amount paid by such other agency.

24. *Subrogation.* The Corporation may require from the insured an assignment of all rights of recovery against any person(s) for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

25. *Collateral assignment.* The original insured may assign his right to an indemnity under the contract by executing a form entitled "Collateral Assignment" and upon approval thereof by the Corporation the interest of the assignee will be recognized, including the right of the assignee to submit a form entitled "Statement in Proof of Loss" if the insured refuses to submit or disappears without having submitted such form.

26. *Records and access to farm.* For the purpose of enabling the Corporation to determine any loss that may have occurred under the contract, the insured shall keep, or cause to be kept, for one year after the time of loss, records of the harvesting, storage, shipment, sale or other disposition, of all corn produced on each insurance unit covered by the contract, and on any uninsured acreage in the county in which he has an interest. Such records shall be made available for examination by the Corporation, and as often as may be reasonably required, any person(s) designated by the Corporation shall have access to the farm(s).

27. *Voidance of contract.* The contract may be voided and the premium forfeited to the Corporation without the Corporation waiving any right or remedy, including its right to collect the amount of the note executed by the insured, whether before or after maturity, if (a) at any time the insured has concealed any material fact or made any false or fraudulent statements relating to the contract, the subject thereof, or his interest in the corn crop covered thereby, or (b) the insured shall neglect to use all reasonable means to produce, care for or save the corn crop covered thereby, whether before or after damage has occurred, or (c) the insured fails to give any notice, or otherwise fails to comply with the terms of the contract, including the note, at the time and in the manner prescribed.

28. *Modification of contract.* No notice to any representative of the Corporation or the knowledge possessed by any such representative or by any other person shall be held to effect a waiver of or change in any part of the contract, or to estop the Corporation from asserting any right or power under such contract, nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation; nor shall any provision or condition of the contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers thereunder or by any requirement, act or proceeding on the part of the Corporation or of its representatives relating to appraisal or to any examination herein provided for.

29. *General.* (a) In addition to the terms and provisions in the application and policy, the Corn Crop Insurance Regulations for Continuous Contracts in effect for the crop year involved shall govern with respect to (1) death, incompetence or disappearance of the insured, (2) fiduciaries, (3) prohibi-

tion against assignment or transfer of claims for refunds, (4) rounding of fractional units, (5) creditors, (6) minimum participation requirements, and (7) reduction of premium based on good experience.

(b) Copies of the regulations and forms referred to in this policy are available at the county office.

30. *Meaning of terms.* For the purpose of the corn crop insurance program, the terms:

(a) "Contract" means the accepted application for insurance and this policy.

(b) "County Actuarial Table" means the form and related material (including the crop insurance maps) approved by the Corporation for listing the coverages per acre and the premium rates per acre applicable in the county.

(c) "County office" means the office of the county Agricultural Conservation Association in the county or other office specified by the Corporation.

(d) "Crop year" means the period from May 1 to December 10, inclusive, and for any year shall be designated by reference to the applicable calendar year.

(e) "Harvest" means picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage.

(f) "Person" means an individual, partnership, association, corporation, estate, or trust or other business enterprise or other legal entity, and, wherever applicable, a state, a political subdivision of a state, or any agency thereof.

(g) "Substitute crop" means any crop other than corn planted on released acreage for harvest in the same crop year.

(h) "Tenant" means a person who rents land from another person for a share of the corn crop or proceeds therefrom produced on such land.

NOTE: The record keeping requirements of these regulations have been approved by, and subsequent reporting requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted by the Board of Directors on August 16, 1949.

[SEAL]

E. D. BERKAW,
Secretary,

Federal Crop Insurance Corporation.

Approved: August 23, 1949.

A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 49-6907; Filed, Aug. 25, 1949;
8:59 a. m.]

PART 417—TOBACCO CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The Federal Crop Insurance Program is part of the general program of the United States Department of Agriculture administered for the benefit of agriculture.

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, the "Regulations for Continuous Contracts Covering 1949 and Succeeding Crop Years," as amended (7 CFR 417.1 et seq.; 13 F. R. 6529, 8731), which shall continue in full force and effect for the 1949 crop year, are hereby amended for the 1950 and succeeding crop years to read as set forth below. The provisions of this subpart shall, until amended or superseded, apply to all continuous tobacco contracts as they relate to the 1950 and succeeding crop years.

Sec.

- 417.1 Availability of tobacco crop insurance.
- 417.2 Coverages per acre.
- 417.3 Premium rates.
- 417.4 Application for insurance.
- 417.5 The contract.
- 417.6 Reduction of premium based on good experience.
- 417.7 Person to whom indemnity shall be paid.
- 417.8 Public notice of indemnities paid.
- 417.9 Death, incompetence, or disappearance of insured.
- 417.10 Fiduciaries.
- 417.11 Assignment or transfer of claims for refunds of excess note payments not permitted.
- 417.12 Refund of excess note payments in case of death, incompetence, or disappearance.
- 417.13 Creditors.
- 417.14 Rounding of fractional units.
- 417.15 Changes in continuous contracts covering the 1949 and succeeding crop years.
- 417.16 The policy.

AUTHORITY: §§ 417.1 to 417.16 issued under secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 508, 509, 52 Stat. 73-75, as amended, 61 Stat. 718; 7 U. S. C. and Sup., 1507 (c), 1508, 1509.

§ 417.1 *Availability of tobacco crop insurance.* (a) Tobacco crop insurance under continuous contracts will be provided only in accordance with this subpart in not to exceed the number of counties prescribed by the Federal Crop Insurance Act, as amended. In any county, insurance may be offered on the basis of the yield-quality plan or the investment plan of insurance and on more than one type of tobacco. The plan(s) of insurance and the type(s) of tobacco on which insurance may be offered shall be designated by the Corporation for each county and shown on the county actuarial table. A list of the counties in which insurance is provided under this subpart shall be published annually, by amendment to this section, showing the plan(s) of insurance and the insurable type(s) of tobacco for each county.

(b) In all counties where insurance is provided on more than one type of tobacco a producer must insure all insurable types in which he has an insurable interest except that an insured with a continuous contract in effect for 1949 may continue his contract covering only the type(s) insured thereunder in 1949. In any county where both the yield-quality and the investment plans of insurance are provided a producer may insure his interest under only one plan.

(c) Insurance will not be provided with respect to applications for tobacco insurance filed in a county in accordance with this subpart unless such written applications, together with tobacco crop insurance contracts in force for the ensuing crop year, cover the minimum number of farms prescribed by the Federal Crop Insurance Act, as amended. For this purpose an insurance unit shall be counted as one farm.

§ 417.2 *Coverages per acre.* The Corporation shall establish coverages per acre which shall not be in excess of the maximum limitations prescribed in the Federal Crop Insurance Act, as amended. Coverages so established shall be shown

on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect.

§ 417.3 *Premium rates.* The Corporation shall establish premium rates in dollars per acre for all acreage for which coverages are established and such rates shall be those deemed adequate to cover claims for tobacco crop losses and to provide a reasonable reserve against unforeseen losses. Premium rates so established shall be shown on the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect.

§ 417.4 *Application for insurance.* Application for insurance, on a form entitled "Application for Tobacco Crop Insurance," may be made by any person to cover his interest as landlord, owner-operator, tenant, or sharecropper in a tobacco crop. For any crop year applications shall be submitted to the county office on or before the following applicable closing date preceding such crop year:

Type of tobacco:	Date
11a.....	May 5.
11b.....	Apr. 30.
12.....	Apr. 25.
13.....	Apr. 15.
14.....	Mar. 31.
21.....	May 5.
22.....	May 15.
23.....	Do.
31.....	Do.
35.....	Do.
36.....	Do.
41.....	May 31.
51.....	Do.
52.....	Do.
54.....	Do.
55.....	Do.

§ 417.5 *The contract.* Upon acceptance of an application for insurance by a duly authorized representative of the Corporation, the contract shall be in effect and will consist of the application and the policy issued by the Corporation. The provisions of the policy are shown in § 417.16.

§ 417.6 *Reduction of premium based on good experience.* The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured tobacco crops (immediately preceding the current crop year) without a loss for which an indemnity was paid. As used in this section, "consecutively insured crops" means tobacco crops insured in consecutive years during which insurance was available. Failure to apply for insurance for any year when insurance is offered in the county in which the insured's farm is located shall break the insured's continuity of consecutively insured crops as of such year, even though insurance may not be provided in the county during such year because of failure to meet the minimum participation requirement: *Provided, however,* That failure to apply for insurance for any year will not break the insured's continuity of consecutively insured crops if (a) the failure to apply for insurance was due to service in active military or naval service of the United States, or (b) the insured establishes to

the satisfaction of the Corporation that failure to apply for insurance for any year was due to the fact that tobacco was not planted in that year. Nothing in this section shall create in the insured any right to a reduced premium.

§ 417.7 *Person to whom indemnity shall be paid.* (a) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits of the contract under the provisions of this subpart, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered, or entered therein. No officer, agent, or employee of the Corporation shall, because of any such process, order, or decree, pay or cause to be paid to any person other than the insured or other person entitled to the benefits of the contract, any indemnity payable in accordance with the provisions of the contract. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(b) The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which indemnity payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive and payment of an indemnity to such person(s) shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

§ 417.8 *Public notice of indemnities paid.* The Corporation shall provide for the posting annually in each county at the county courthouse of a list of indemnities paid for losses on farms in such county.

§ 417.9 *Death, incompetence, or disappearance of insured.* (a) If the insured dies, is judicially declared incompetent, or disappears after planting the tobacco crop in any year but before the payment of the indemnity, if any, the indemnity shall be paid to the legal representative of his estate, if one is appointed or is duly qualified. If no such representative is or will be so qualified, the indemnity shall be paid to the persons beneficially entitled to share in the insured interest in the crop or to any one or more of such persons on behalf of all such persons: *Provided, however,* That if the indemnity exceeds \$500, the Corporation may withhold the payment of the indemnity until a legal representative of the insured's estate is duly qualified to receive such payment.

(b) If the insured dies, is judicially declared incompetent, or disappears after the planting the tobacco crop in any year but before the time of loss, and his

interest in the crop is not a part of his estates at such time, the indemnity, if any, shall be paid to the person(s) who succeeded to his interest in the crop in the manner provided for in the policy.

(c) If an applicant for insurance or the insured, as the case may be, dies or is judicially declared incompetent less than fifteen days before the applicable closing date for the filing of applications for insurance in any year and before the beginning of planting of the tobacco crop in such year, whoever succeeds him on the farm with the right to plant the tobacco crop as his heir or heirs, administrator, executor, guardian, committee, or conservator shall be substituted for the original applicant or the insured, upon filing with the county office, within fifteen days (unless such period is extended by the Corporation) after the date of such death, judicial declaration or termination of the period which establishes disappearance within the meaning of this subpart, or before the date of the beginning of planting of the tobacco crop, whichever is earlier, a statement in writing, in the form and manner prescribed by the Corporation, requesting such substitution and agreeing to assume the obligations of the original applicant or the insured arising out of such application or the contract: *Provided, however,* That any substitution made pursuant to this paragraph shall be effective only with respect to the tobacco crop to be planted in the ensuing crop year, and the contract shall terminate at the end of such year. If no statement is filed, as required by this paragraph, the original application or contract shall be void.

(d) In case of death of the insured after the planting of the tobacco crop is begun for any year, any additional acreage of tobacco which is planted for the insured's estate for that year shall be covered by the contract.

(e) Subject to the provisions of paragraph (c) of this section, the contract shall terminate upon death, judicial declaration of incompetence, or disappearance of the insured, except that if such death, judicial declaration of incompetence, or disappearance occurs after the planting of the tobacco crop in any year but before the end of the insurance period for such year, the contract shall terminate at the end of such insurance period.

(f) The insured shall be deemed to have disappeared within the meaning of this subpart if he fails to file with the county office written notice of his new mailing address within 180 calendar days after any communication by or on behalf of the Corporation is returned undeliverable at the last known address of the insured.

§ 417.10 *Fiduciaries.* Any indemnity payable under a contract entered into in the name of a fiduciary who is no longer acting in such capacity at the time for the payment of indemnity will be made to the succeeding fiduciary upon appropriate application and proof satisfactory to the Corporation of his incumbency. If there is no succeeding fiduciary, payment of the indemnity shall be made to the persons beneficially entitled under this subpart to the insured interest in the crop, to the extent of their respective in-

terest, upon proper application and proof of the facts: *Provided, however,* That the settlement may be made with any one or more of the persons in behalf of all the persons so entitled, whether or not the person to whom payment is made has been authorized by the other interested persons to receive such payment.

§ 417.11 *Assignment or transfer of claims for refunds of excess note payments not permitted.* No claim for refund of an excess note payment or any part thereof, or any interest therein, shall be assignable or transferable, notwithstanding any assignment under the contract or any transfer of interest in any tobacco crop covered by the contract. Refund of any excess note payment will be made only to the person who made such payment except as provided in § 417.12.

§ 417.12 *Refund of excess note payments in case of death, incompetence, or disappearance.* In any case where a person who is entitled to a refund of an excess note payment has died, has been judicially declared incompetent, or has disappeared, the provisions of § 417.9 with reference to the payment of indemnities in any such case shall be applicable with respect to the making of any such refund.

§ 417.13 *Creditors.* An interest (including an involuntary transfer) in an insured tobacco crop because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

§ 417.14 *Rounding of fractional units.* Amount of insurance, premiums, and the value of production shall be rounded to cents. Fractions of acres shall be rounded to hundredths of acres. Computations shall be carried one digit beyond the digit that is to be rounded. If the last digit is 1, 2, 3, or 4, the rounding shall be downward. If the last digit is 5, 6, 7, 8, or 9, the rounding shall be upward.

§ 417.15 *Changes in continuous contracts covering the 1949 and succeeding crop years.* Tobacco crop insurance policies issued for 1949 and succeeding crop years shall be amended for 1950 and succeeding crop years by rider so that the terms and conditions of such policies will conform to the terms and conditions of the policy set forth herein.

§ 417.16 *The policy.* The provisions of the policy for 1950 and succeeding crop years are as follows:

In consideration of the representations and provisions in the application upon which this policy is issued, which application is made a part of the contract, and subject to the terms and conditions set forth or referred to herein, the Federal Crop Insurance Corporation (hereinafter designated as the Corporation) does hereby insure

(Name)

(Policy number)

(Address)

(County)

(State)

(hereinafter designated as the insured) against unavoidable loss of his tobacco crop due to drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, pole burn and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. In witness whereof, the Federal Crop Insurance Corporation has caused this policy to be issued this _____ day of _____, 19____.

FEDERAL CROP INSURANCE
CORPORATION,

By _____
State Crop Insurance Director

TERMS AND CONDITIONS

1. **Insurable acreage.** For each crop year of the contract, any acreage is insurable only if a coverage is shown therefor on the county actuarial table (including maps and related forms) for that crop year.

2. **Responsibility of insured to report acreage and interest.** (a) Promptly after planting the tobacco crop each year, the insured shall submit to the Corporation, on a form entitled "Tobacco Crop Insurance Acreage Report," a report over his signature of all acreage in the county planted to each insured type of tobacco in which he has an interest at the time of planting. This report shall show the acreage of tobacco for each insurance unit and his interest in each at the time of planting. If the insured does not have an insurable interest in tobacco planted in any year, the acreage report shall nevertheless be submitted promptly after the planting of tobacco is generally completed in the county. Any acreage report submitted by the insured shall be considered final and not subject to change by the insured.

(b) The Corporation may elect to determine that the insured acreage for any insured type of tobacco is "zero" if the insured fails to file an acreage report within 30 days after planting of tobacco is generally completed in the county, as determined by the Corporation.

(c) Failure of the county office to request submission of such report or to send a personal representative to obtain the report shall not relieve the insured of the responsibility to make such report.

3. **Insured acreage.** In any year the insured acreage with respect to each insurance unit shall be the acreage of tobacco planted as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect, except that insurance shall not attach with respect to (a) any acreage planted to tobacco which is destroyed or substantially destroyed (as defined in section 13) and on which it is practical to replant to tobacco, as determined by the Corporation, and such acreage is not replanted to tobacco, (b) any acreage initially planted to tobacco too late to expect a normal crop to be produced, as determined by the Corporation, and (c) any acreage which is destroyed for the purpose of conforming with any other program administered by the United States Department of Agriculture. Also, if the acreage of any type of tobacco on a farm exceeds the applicable tobacco acreage allotment, if any, established for that type of tobacco on the farm under any Act of Congress, including the Agricultural Adjustment Act of 1938, as amended, the Corporation may elect to determine that the maximum insured acreage for that type of tobacco for each insurance unit on the farm shall be the same proportion of the planted acreage on that unit that the allotment for the farm is of the total planted acreage on the farm.

4. **Insured interest.** The insured interest in the tobacco crop covered by the contract shall be the interest of the insured at the time of planting as reported by the insured or as determined by the Corporation, which-

ever the Corporation shall elect. For the purpose of determining the amount of loss the insured interest shall not exceed the insured's actual interest at the time of loss or the beginning of harvest, whichever occurs first.

5. **Coverage per acre.** (a) The coverage per acre for yield-quality insurance shall be the product of the market price (as determined by the Corporation in accordance with Section 28) and the applicable number of pounds of tobacco shown on the approved county actuarial table for (1) the area in which the insured acreage is located or (2) the coverage group assigned to the person who owns the land at the time of planting the tobacco crop. (For this purpose, land rented for cash or a fixed commodity rent shall be considered as owned by the lessee.) The coverage per acre for investment insurance shall be the applicable number of dollars shown on the approved county actuarial table for the area in which the insured acreage is located.

(b) The coverage per acre for both yield-quality insurance and investment insurance is progressive depending upon (1) whether the acreage is harvested or unharvested in the case of types 41, 51, 52, 54, and 55, or (2) whether harvest has begun on the insurance unit or the acreage is destroyed or substantially destroyed before the beginning of harvest in the case of types 11, 12, 13, 14, 21, 22, 23, 31, 35, and 36.

6. **Insurance period.** Insurance with respect to any insured acreage shall attach at the time the tobacco is planted. Insurance shall cease with respect to any portion of the tobacco crop covered by the contract upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, removal of the tobacco from the insurance unit (except for curing, packing or immediate delivery to the tobacco warehouse), or weighing of the tobacco for casing, but in no event shall the insurance remain in effect later than the following applicable date after harvest each year, unless such time is extended in writing by the Corporation.

Type of tobacco:	Date
11-----	Jan. 31.
12-----	Dec. 31.
13-----	Oct. 31.
14-----	Do.
21-----	Mar. 31.
22-----	Do.
23-----	Do.
31-----	Feb. 28.
35-----	Do.
36-----	Do.
41-----	Mar. 31.
51-----	Feb. 28.
52-----	Do.
54-----	Mar. 31.
55-----	Do.

7. Life of contract, cancellation thereof.

(a) Subject to the provisions of paragraph (d) of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until either party gives to the other party, on or before the cancellation date of any year, written notice of cancellation effective beginning with the next succeeding crop year after the cancellation date. Any notice of cancellation given by the insured to the Corporation shall be submitted in writing to the county office.

(b) If the insured cancels the contract, he shall not be eligible for crop insurance on tobacco planted in the next succeeding crop year in the county unless he subsequently files an application for insurance on or before the cancellation date preceding such year.

(c) If for two consecutive crop years no tobacco in which the insured has an insurable interest is planted in the county, the contract shall terminate.

(d) If the minimum participation requirement as established by the Corporation is not met for any year the contract shall continue in force only to the end of the crop year for which such requirement is not met except that if the minimum participation requirement is met on or before the next succeeding applicable closing date the contract shall continue to be in force.

8. **Changes in contract.** The Corporation reserves the right to change the premium rate(s), insurance coverage(s), and other terms and provisions of the contract from year to year. Notice of such changes shall be mailed to the insured at least 15 days prior to the applicable cancellation date shown herein. Failure of the insured to cancel the contract as provided in Section 7, shall constitute his acceptance of any such changes. If no notice is mailed to the insured, the terms and provisions of the contract for the prior year shall continue in force.

9. **Causes of loss not insured against.** The contract shall not cover loss caused by: (a) Failure to follow recognized good farming practices; (b) poor farming practices, including but not limited to the use of unadapted varieties, failure properly to prepare the land for planting, or properly to plant, care for or harvest (including unreasonable delay thereof) the insured crop; (c) following different fertilizer or farming practices than those considered in establishing the coverage; (d) planting tobacco on land which is generally considered incapable of producing a tobacco crop comparable to that produced on the acreage considered in establishing the coverage; (e) planting tobacco under conditions of immediate hazard; (f) inability to obtain labor, fertilizer, machinery, repairs or insect poison; (g) breakdown of machinery or failure of equipment due to mechanical defect; (h) neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant, sharecropper, or wage hand; (i) domestic animals; (j) action of any person, or state, county, or municipal government in the use of chemicals for the control of noxious weeds; or (k) theft.

10. **Amount of annual premium.** (a) The premium rate per acre for any acreage will be the amount shown on the county actuarial table for the area in which the acreage is located. The annual premium for each insurance unit under the contract shall be based upon (a) the insured acreage of tobacco for the insurance unit, (b) the premium rate, and (c) the insured interest in the crop at the time of planting. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The premium with respect to any insured acreage shall be regarded as earned when the tobacco crop on such acreage is planted.

(b) The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured tobacco crops (immediately preceding the current crop year) without a loss for which an indemnity was paid. Nothing in this paragraph (b) shall create in the insured any right to a reduced premium.

11. **Manner of payment of premium.** (a) The applicant executes a premium note by signing the application for tobacco crop insurance. This note represents a promise to pay to the Corporation annually during the life of the contract, on or before the applicable maturity date shown in Section 29, the premium for all insurance units covered by the contract.

(b) A discount of five percent shall be allowed on any annual premium which is paid in full on or before June 30 (of the year in which the premium is earned) for types 13 and 14 and July 31 for all other types, if the insured has submitted to the Corporation at the county office his tobacco acreage re-

port not later than the date specified above for the type(s) of tobacco insured under the contract.

(c) Any premium note not paid at maturity shall bear interest computed not on a per annum basis but as follows: Three percent on the amount not paid on or before the applicable interest date specified in Section 29 and an additional one percent on the principal amount owing at the end of each two-month period thereafter.

(d) Payment of any annual premium shall be made by means of cash or by check, money order, postal note, or bank draft payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection, and payments tendered shall not be regarded as paid unless collection is made.

(e) Any unpaid amount of any annual premium plus any interest due may be deducted (either before or after the date of maturity) from the proceeds of the sale of the tobacco crop, from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payment made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture. There shall be no refund of any annual premium overpayment of less than \$1.00 unless written request for such refund is received by the Corporation within one year after the payment thereof.

12. *Notice of loss or damage.* (a) Unless otherwise provided by the Corporation, if a loss under the contract is probable, notice in writing shall be given the Corporation at the county office immediately after any material damage to the insured crop.

(b) In counties where tobacco is not sold through auction warehouses, if after curing the tobacco it appears that a loss under the contract was sustained, notice in writing (unless otherwise provided by the Corporation) shall be given immediately to the Corporation at the county office to allow the Corporation a reasonable time to make an appropriate inspection before the crop is either (1) sold or otherwise disposed of or (2) contracted to be sold or otherwise disposed of.

(c) In any case, if, at the completion of selling or otherwise disposing of the insured tobacco crop, a loss under the contract has been sustained, notice in writing (unless otherwise provided by the Corporation) shall be given immediately to the Corporation at the county office.

(d) The notices required by paragraphs (b) and (c) are in addition to any notice required by paragraph (a) of this section. If notice is not given as required by this section, the Corporation reserves the right to reject any claim for indemnity.

13. *Released acreage.* Any insured acreage on which the tobacco crop has been destroyed or substantially destroyed may be released by the Corporation to be put to another use. The tobacco crop shall be deemed to have been substantially destroyed if the Corporation determines that it has been so badly damaged that farmers generally in the area where the farm is located and on whose farms similar damage occurred would not further care for the crop or harvest any portion thereof. No insured acreage may be put to another use until the Corporation releases such acreage. On any acreage where the tobacco has been partially destroyed but not released by the Corporation, proper measures shall be taken to protect the crop from further damage. There shall be no abandonment of any crop or portion thereof to the Corporation.

14. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period as set forth in section 6, unless the Corporation determines that the entire tobacco crop on the insurance unit was destroyed

or substantially destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such damage, as determined by the Corporation.

15. *Proof of loss.* If a loss is claimed, the insured shall submit to the Corporation a form entitled "Statement in Proof of Loss," containing such information regarding the manner and extent of the loss as may be required by the Corporation. The statement in proof of loss shall be submitted promptly after the amount of loss can be determined, but for any year not later than the applicable date specified below following the normal time of harvest of the crop unless the time for submitting the claim is extended in writing by the Corporation.

Type of tobacco:	Date
11.....	Feb. 28.
12.....	Jan. 31.
13.....	Nov. 30.
14.....	Do.
21.....	Mar. 31.
22.....	May 15.
23.....	Do.
31.....	Apr. 15.
35.....	Do.
36.....	Do.
41.....	May 31.
51.....	Mar. 31.
52.....	Do.
54.....	May 31.
55.....	Do.

It shall be a condition precedent to any liability under the contract that the insured establish the amount of any loss for which claim is made, and that such loss has been directly caused by one or more of the hazards insured against by the contract during the insurance period for the crop year for which the loss is claimed, and that the insured further establish that the loss has not arisen from or been caused by, either directly or indirectly, any of the causes of loss not insured against by the contract. If a loss is claimed, any tobacco acreage which is not to be harvested shall be left intact until the Corporation makes an inspection.

16. *Insurance unit.* The amount of loss shall be determined separately for each insurance unit except as provided in section 17 (c). An insurance unit consists of all insurable acreage, considered for crop insurance purposes to be located in the county, of an insurable type of tobacco in which one person has the entire interest or in which two or more persons have the entire interest, excluding any other acreage of tobacco in the county in which such persons together do not have the entire interest.

17. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by multiplying the planted acreage (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre and subtracting therefrom the value of the total production for the planted acreage and multiplying the remainder by the insured interest. However, if the planted acreage on the insurance unit exceeds the insured acreage on the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the insured acreage to the planted acreage, or if the premium computed for the insured acreage is less than the premium computed for the planted acreage, the amount of loss determined for the planted acreage may be reduced on the basis of the ratio of the premium computed for the insured acreage to the premium computed for the planted acreage, if the Corporation so elects. The value of the total production for an insurance unit shall include: (1) The gross returns (less warehouse charges) from the tobacco harvested from the insurance unit and sold on the warehouse floor, (2) the fair market value, as determined by the Corporation, of the tobacco harvested from the insurance unit and not sold on the warehouse floor, (3) the appraised cash value, as determined

by the Corporation, of the unharvested tobacco on the insurance unit, (4) the appraised cash value, as determined by the Corporation, of the tobacco on any portion of the insured tobacco acreage on the insurance unit that is put to another use without the consent of the Corporation, but the amount shall not be less than the total coverage applicable to such acreage on a harvested acreage basis, and (5) the appraised cash value, as determined by the Corporation, of any loss in production due to any cause(s) not insured against.

(b) In determining the fair market value of tobacco not sold through auction warehouses, the Corporation reserves the right to inspect such tobacco pursuant to section 12 (b) before it is sold or contracted to be sold or otherwise disposed of by the insured, and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured. If the best offer obtained for any tobacco is not satisfactory to the Corporation and the Corporation so elects, the insured shall (1) release all right, title, and interest in such tobacco to the Corporation, whereupon the value of such tobacco so released to the Corporation shall not be considered in determining any indemnity due under the contract, and (2) properly store and protect such tobacco from unreasonable damage (until not later than the end of the marketing season) on the farm or elsewhere at no cost to the Corporation.

(c) If the production from two or more insurance units is commingled and the insured fails to establish and maintain records satisfactory to the Corporation of acreage or the production from each, the insurance with respect to such units may be voided by the Corporation for the crop year and the premium forfeited by the insured. However, if all the component parts are insured the total coverage for the component parts may be considered as the total coverage for the combination, if the Corporation so elects, in which case any loss for such combination shall be determined as outlined in paragraph (a) of this section. Where the insured fails to establish and maintain separate records, satisfactory to the Corporation, of uninsured acreage and production therefrom and for one or more insurance units or portions thereof, any production from such acreage which is commingled with production from the insured acreage shall be considered to have been produced on the insured acreage, or the insurance with respect to such unit(s) under the contract may be voided by the Corporation for the crop year and the premium forfeited by the insured.

18. *Payment of indemnity.* (a) Indemnities shall be paid only by check. The amount of indemnity for which the Corporation may be liable will be payable within thirty days after satisfactory proof of loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damages on account of such delay.

(b) Indemnities shall be subject to all provisions of the contract, including the right of the Corporation to deduct from any indemnity the unpaid amount of any earned premium plus any interest due or any other obligation of the insured to the Corporation.

(c) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits under the provisions of the contract, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy, directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any

judgment, order, or decree rendered or entered therein. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(d) If a check issued in payment of an indemnity is returned undeliverable at the last known address of the payee, and if such payee or other person entitled to the indemnity makes no claim for payment within two years after the issuance of the check, such claim shall not thereafter be payable, except with the consent of the Corporation.

19. *Payment to transferee.* (a) If the insured transfers all or a part of his insured interest in a tobacco crop before the beginning of harvest or the time of loss, whichever occurs first, he shall immediately notify the Corporation thereof in writing at the county office. The transferee under such a transfer will be entitled to the benefits of the contract with respect to the interest so transferred, provided the transferee immediately following the transfer makes suitable arrangements with the Corporation for the payment of any premium with respect to the interest so transferred, whereupon the transferee and the transferor shall be jointly and severally liable for the amount of such premium. Any transfer shall be subject to any collateral assignment made by the original insured in accordance with section 23. However, the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than would have been paid if the transfer had not taken place.

(b) An involuntary transfer of an insured interest in a tobacco crop solely because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

(c) Any deduction to be made from an indemnity payable to the transferee shall not exceed the annual premium (plus any interest due) on the land involved in the transfer for the crop year in which the transfer is made, plus the unpaid amount of any other obligation of the transferee to the Corporation.

(d) If as a result of any transfer, diverse interests appear with respect to any insurance unit, any indemnity payable with respect to such unit may be paid jointly to all persons having the insured interest in the crop at the time harvest is commenced or the time of loss, whichever occurs first, or to one of such persons on behalf of all such persons, and payment in any such manner shall constitute a complete discharge of the Corporation's liability with respect to such unit under the contract.

(e) If a transfer is effected in accordance with paragraph (a) above, the contract of the transferor shall cover the interest so transferred only to the end of the insurance period for the crop year during which the transfer is made.

20. *Determination of person to whom indemnity shall be paid.* In any case where the insured has transferred his interest in all or a portion of the tobacco crop on any insurance unit, or has ceased to act as fiduciary, or has died, has been judicially declared incompetent or has disappeared, payment in accordance with the provision of the contract will be made only after the facts have been established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive. Payment of any indemnity under this section shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity

is paid and settled and shall be a bar to recovery by any other person.

21. *Other insurance.* (a) If the insured has or acquires any other insurance against substantially all the risks that are insured against by the Corporation under the contract, regardless of whether such other insurance is valid or collectible, the liability of the Corporation shall not be greater than its share would be if the amount of its obligations were divided equally between the Corporation and such other insurer.

(b) In any case where an indemnity is paid to the insured by another Government agency because of damage to the tobacco crop, the Corporation reserves the right to determine its liability under the contract, taking into consideration the amount paid by such other agency.

(c) If the insured has or acquires any other insurance against fire on the crop, or portion thereof, covered by the insurance contract, regardless of whether such other insurance is valid or collectible, the Corporation shall only be liable, in the event of a loss due to fire, for the smaller of (1) the amount of loss determined pursuant to this contract or (2) the amount of loss under this contract due to causes other than fire plus that proportion of the actual amount of loss due to fire (as determined by the Corporation) which the coverage under this contract bears to the face amount of all insurance on the crop covering fire at the time of loss.

22. *Subrogation.* The Corporation may require from the insured an assignment of all rights of recovery against any person(s) for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

23. *Collateral assignment.* The original insured may assign his right to an indemnity under the contract by executing a form entitled "Collateral Assignment" and upon approval thereof by the Corporation the interest of the assignee will be recognized, including the right of the assignee to submit a form entitled "Statement in Proof of Loss" if the insured refuses to submit or disappears without having submitted such statement.

24. *Records and access to farm.* For the purpose of enabling the Corporation to determine any loss that may have occurred under the contract, the insured shall keep or cause to be kept for one year after the time of loss, records of the harvesting, sale or other disposition of all tobacco produced on each insurance unit covered by the contract and on any uninsured acreage in the county in which he has an interest, and such records shall be made available for examination by the Corporation. As often as may be reasonably required, any person(s) designated by the Corporation shall have access to the farm(s) for purposes related to the contract.

25. *Voidance of contract.* The contract may be voided and the premium forfeited to the Corporation without the Corporation waiving any right or remedy, including its right to collect the amount of the note executed by the insured, whether before or after maturity, if (a) at any time the insured has concealed any material fact or made any false or fraudulent statements relating to the contract, the subject thereof, or his interest in the tobacco crop covered thereby, or (b) the insured shall neglect to use all reasonable means to produce, care for or save the tobacco crop covered thereby whether before or after damage has occurred, or (c) the insured fails to give any notice, or otherwise fails to comply with the terms of the contract, including the note, at the time and in the manner prescribed.

26. *Modification of contract.* No notice to any representative of the Corporation or knowledge possessed by any such representa-

tive or by any other person shall be held to effect a waiver of or change in any part of the contract or to estop the Corporation from asserting any right or power under such contract, nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation; nor shall any provisions or condition of the contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers thereunder or by any requirement, act, or proceeding, on the part of the Corporation or of its representatives, relating to appraisal or to any examination herein provided for.

27. *General.* (a) In addition to the terms and provisions in the application and policy, the Tobacco Crop Insurance Regulations for Continuous Contracts in effect for the crop year involved shall govern with respect to (1) death, incompetence, or disappearance of the insured, (2) fiduciaries, (3) prohibition against assignment or transfer of claims for refunds, (4) rounding of fractional units, (5) creditors and (6) minimum participation requirements.

(b) Copies of the regulations and forms referred to in this policy are available at the county office.

28. *Meaning of terms.* For the purpose of the tobacco crop insurance program the term:

(a) "Contract" means the accepted application for insurance and this policy.

(b) "County Actuarial Table" means the form(s) and related material (including the crop insurance maps) approved by the Corporation for listing the coverages per acre and the premium rates per acre applicable in the county, and shall be on file in the county office.

(c) "County office" means the office of the county agricultural conservation association in the county or other office specified by the Corporation.

(d) "Crop year" means the period beginning with the day following the applicable closing date for the filing of applications for insurance for any year and within which the tobacco crop is planted and normally harvested and shall be designated by reference to the calendar year in which the crop is harvested.

(e) "Harvest" means any severance of the tobacco plant from the land, except that with respect to types 11, 12, 13 and 14, "harvest" means the first priming.

(f) "Market price" in the case of tobacco of types 11, 12, 13, 14, 21, 22, 23, 31, 35, and 36 means the average auction price of the applicable type (less warehouse charges), as determined by the Corporation, during the first twenty-five market days of auction sales for the belt or area, adjusted where applicable for normal trend, except that a shorter period may be used if the Corporation determines that approximately 80 percent of the tobacco crop is sold in such period. In the case of tobacco of types 41, 51, 52, 54, and 55, the "market price" shall be that price determined by the Corporation.

(g) "Person" means an individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity and, wherever applicable, a State, a political subdivision of a State, or any agency thereof.

(h) "Planting" means transplanting the tobacco plant from the plant bed to the field.

(i) "Sharecropper" means a person who works a farm in whole or in part under the supervision of the operator and is entitled to receive a share of the tobacco crop thereon or of the proceeds therefrom.

(j) "State Director" means the representative of the Corporation responsible for the executive direction of the Federal crop insurance program in the State.

(k) "Tenant" means a person other than a sharecropper who rents land from another

person for a share of the tobacco crop or proceeds therefrom produced on such land.

(1) "Tobacco" means the type(s) of tobacco insured under the contract.

29. *Date table.* For each year of the contract the maturity date of the note, the last date for the payment of the annual premium before interest attaches, and the contract cancellation date are as follows:

Type of tobacco	Maturity date ¹	Interest date ²	Cancellation date ³
11a.....	Sept. 30	Dec. 31	Apr. 1
11b.....	Sept. 15	do.	Mar. 31
12.....	Aug. 31	do.	Mar. 25
13.....	Aug. 15	Oct. 31	Mar. 15
14.....	July 31	Aug. 31	Feb. 28
21.....	Sept. 30	Dec. 31	Apr. 5
22.....	Dec. 31	Feb. 28	Apr. 15
23.....	do.	do.	Do.
31.....	do.	do.	Do.
35.....	do.	do.	Do.
36.....	do.	do.	Do.
41.....	Nov. 30	Apr. 30	Apr. 31
51.....	Oct. 31	do.	Do.
52.....	do.	do.	Do.
54.....	Feb. 28	do.	Do.
55.....	do.	do.	Do.

¹ The maturity date of the premium note for any year shall be the applicable date following the planting of the tobacco crop for such year.

² The last date for the payment of the annual premium before interest attaches is the applicable listed date following the maturity date.

³ The cancellation date is the applicable date preceding the beginning of the crop year for which cancellation is to become effective.

NOTE: The record keeping requirements of these regulations have been approved by, and subsequent reporting requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1947.

Adopted by the Board of Directors on August 16, 1949.

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: August 23, 1949.

A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 49-6908; Filed, Aug. 25, 1949;
8:59 a. m.]

[Amdt. No. 2]

PART 418—WHEAT CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The above-identified regulations (14 F. R. 1455, 4548) are hereby amended with respect to wheat crops insured for the 1950 and succeeding crop years, as follows:

1. Section 4 of § 418.167 and section 4 of § 418.168 are amended by striking therefrom the words "(c) new ground acreage, and" and substituting therefor the words "(c) new ground acreage where the cancellation date is April 30 or June 30, and".

2. Section 30 (h) of § 418.167 and section 30 (h) of § 418.168 are amended with respect to California to read as follows:

(h) "Substitute crop" in California means any crop, except lespedeza, biennial and perennial legumes and perennial grasses, planted on released acreage before wheat generally in the area is mature as determined by the Corporation. Biennial and perennial legumes and perennial grasses seeded with the wheat or in the growing wheat crop shall not be considered a substitute crop. If other small

grains are seeded in a growing wheat crop on released acreage, the crop of mixed wheat and other grains shall be considered a substitute crop.

3. Section 8 of § 418.167 and section 8 of § 418.163 are amended with respect to California to read as follows:

8. *Insurance period.* Insurance with respect to any insured acreage shall attach at the time the wheat is seeded. Insurance shall cease with respect to any portion of the wheat crop covered by the contract upon threshing (unless combined and field-sacked and remaining in the field, in which event the insurance shall not cease until 120 hours thereafter) or removal from the field, but in no event shall the insurance remain in effect later than October 31 of each year, unless such time is extended in writing by the Corporation.

Adopted by the Board of Directors on August 16, 1949.

(Secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or apply secs. 507 (c), 503, 509, 52 Stat. 73-75, as amended, 61 Stat. 718; 7 U. S. C. and Sup., 1507 (c), 1508, 1503)

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: August 23, 1949.

A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 49-6910; Filed, Aug. 25, 1949;
9:00 a. m.]

PART 420—MULTIPLE CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The Federal Crop Insurance Program is part of the general program of the United States Department of Agriculture administered for the benefit of agriculture.

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, these regulations are hereby published and prescribed to be in force and effect, with respect to continuous multiple crop insurance contracts for the 1950 and succeeding crop years, until amended or superseded by regulations hereafter made.

Sec.

420.20 Availability of multiple crop insurance.

420.21 Insurable crops.

420.22 Coverage per acre.

420.23 Premium rates.

420.24 Application for insurance.

420.25 The contract.

420.26 Public notice of indemnities paid.

420.27 Death, incompetence, or disappearance of insured.

420.28 Fiduciaries.

420.29 Assignment or transfer of claims for refunds of excess note payments not permitted.

420.30 Refund of excess note payments in case of death, incompetence, or disappearance.

420.31 Creditors.

420.32 Rounding of fractional units.

420.33 The policy.

420.34 Riders to the policy.

AUTHORITY: §§ 420.20 to 420.34 issued under secs. 506 (e), 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506 (e), 1516 (b). Interpret or ap-

ply secs. 507 (c), 508, 509, 52 Stat. 73-75, 61 Stat. 718; 7 U. S. C. and Sup., 1507 (c), 1508, 1509.

§ 420.20 *Availability of multiple crop insurance.* (a) Multiple crop insurance under continuous contracts will be provided only in accordance with this subpart in not to exceed the number of counties prescribed in the Federal Crop Insurance Act, as amended. A list of these counties will be published annually by amendment to this section.

(b) Insurance will not be provided with respect to applications for multiple crop insurance filed in a county in accordance with this subpart unless such written applications together with multiple crop insurance contracts in force for the ensuing crop year, cover the minimum number of farms prescribed by the Federal Crop Insurance Act, as amended. For this purpose an insurance unit shall be counted as one farm.

§ 420.21 *Insurable crops.* The insurable crops in each county shall be selected each year by the Corporation. The crops selected for each county shall be shown on the county actuarial table on file in the county office and shall be published in the FEDERAL REGISTER.

§ 420.22 *Coverages per acre.* For each insurable crop in each county the Corporation shall establish coverages per acre, by areas, which shall not be in excess of the maximum limitations prescribed in the Federal Crop Insurance Act as amended. Coverages so established shall be shown on the county actuarial table and shall be on file in the county office, and may be revised from year to year as the Corporation may elect. The coverage per acre for any specific acreage shall be the coverage (for the applicable farming practice, if any) approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 420.23 *Premium rates.* For each insurable crop in each county, the Corporation shall establish premium rates, by areas, for all acreage for which coverages are established and such rates shall be those deemed adequate to cover claims for multiple crop losses, and to provide a reasonable reserve against unforeseen losses. Premium rates so established shall be shown in the county actuarial table and shall be on file in the county office and may be revised from year to year as the Corporation may elect. The premium rate for any specific acreage shall be the premium rate (for the applicable farming practice, if any) approved by the Corporation for the coverage and rate area in which the acreage is located.

§ 420.24 *Application for insurance.* Application for insurance on a form entitled "Application for Multiple Crop Insurance" may be made by any person to cover his interest as landlord, owner-operator, tenant, or sharecropper in all insurable crops in the county. For any crop year applications shall be submitted to the county office on or before the closing date preceding such crop year, which date shall be October 31, for all counties.

§ 420.25 *The contract.* Upon acceptance of an application for insurance by a duly authorized representative of the

Corporation, the contract shall be in effect and will consist of the application and the multiple crop insurance policy issued by the Corporation. The provisions of this policy are shown in § 420.33.

§ 420.26 *Public notice of indemnities paid.* The Corporation shall provide for the posting annually in each county at the county courthouse of a list of indemnities paid for losses on farms in such county.

§ 420.27 *Death, incompetence, or disappearance of insured.* (a) If the insured dies, is judicially declared incompetent, or disappears after the planting of any insured crop in any year, any indemnity not paid the insured shall be paid to the legal representative of his estate, if one is appointed or is duly qualified. If no such representative is or will be so qualified, the indemnity shall be paid to the persons beneficially entitled to share in the insured interest in the crop(s) or to any one or more of such persons on behalf of all such persons: *Provided*, That if the indemnity exceeds \$500, the Corporation may withhold the payment of the indemnity until a legal representative of the insured's estate is duly qualified to receive such payment.

(b) If the insured dies, is judicially declared incompetent, or disappears after the planting of any insured crop in any year but before the time of loss, and his insured interest in the insured crop(s) is not a part of his estate at such time, any indemnity shall be paid to the person(s) who succeeded to his interest in the crop in the manner provided for in the multiple crop insurance policy.

(c) If an applicant for insurance or the insured, as the case may be, dies, or is judicially declared incompetent less than 15 days before the closing date for the filing of applications for insurance in any year and before the beginning of planting of any insured crop intended to be covered by insurance, whoever succeeds him on the farm with the right to plant the insurable crop(s) as his heir or heirs, administrator, executor, guardian, committee or conservator, shall be substituted for the original applicant or the insured upon filing with the county office within 15 days (unless such period is extended in writing by the Corporation) after the date of such death, judicial declaration, or before the date of the beginning of planting of any insurable crop, whichever is earlier, a statement in writing in the form and manner prescribed by the Corporation, requesting such substitution and agreeing to assume the obligations of the original applicant arising out of such application or the contract: *Provided*, That any substitution made pursuant to this paragraph shall be effective only with respect to the insurable crops to be planted in the ensuing crop year, and the contract shall terminate at the end of such year. If no such statement is filed as required by this paragraph, the application shall be void, or the contract shall terminate.

(d) In case of death of the insured after the planting of any insurable crop is begun for any crop year any additional acreage of insurable crops which

are planted for the insured's estate for that crop year shall be covered by the contract.

(e) Subject to the provisions of paragraph (c) of this section, the contract shall terminate upon death, judicial declaration of incompetence, or disappearance of the insured, except that if such death, judicial declaration of incompetence, or disappearance occurs after the beginning of planting of any insurable crop in any crop year but before the end of the insurance period for such year, the contract shall terminate at the end of such insurance period.

(f) The insured may be deemed to have disappeared within the meaning of this subpart if he fails to file with the county office written notice of his new mailing address within 180 calendar days after any communication by or on behalf of the Corporation is returned undeliverable at the last known address of the insured.

§ 420.28 *Fiduciaries.* Any indemnity payable under a contract entered into in the name of a fiduciary who is no longer acting in such capacity at the time for the payment of indemnity, will be made to the succeeding fiduciary upon appropriate application and proof satisfactory to the Corporation of his incumbency. If there is no succeeding fiduciary, payment of the indemnity shall be made to the persons beneficially entitled under this subpart to the insured interest in the crop(s) to the extent of their respective interests, upon proper application and proof of the facts: *Provided*, That the settlement may be made with any one or more of the persons in behalf of all the persons so entitled, whether or not the person to whom payment is made has been authorized by the other interested persons to receive such payment.

§ 420.29 *Assignment or transfer of claims for refunds of excess note payments not permitted.* No claim for a refund of an excess note payment or any part thereof, or any interest therein, shall be assignable or transferable, notwithstanding any assignment of the contract or any transfer of interest in any insured crop covered by the contract. Refund of any excess note payment will be made only to the person who made such payment, except as provided in § 420.30.

§ 420.30 *Refund of excess note payments in case of death, incompetence, or disappearance.* In any case where a person who is entitled to a refund of an excess note payment has died, has been judicially declared incompetent, or has disappeared, the provisions of § 420.27 with reference to the payment of indemnities in any such case shall be applicable with respect to the making of any such refund.

§ 420.31 *Creditors.* An interest (including an involuntary transfer) in an insured crop existing by virtue of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or any other process shall not entitle any holder of any such interest to any benefits under the contract.

§ 420.32 *Rounding of fractional units.* The premium, the total coverage and the value of the total production shall be rounded to cents. Total production shall be rounded to whole bushels, pounds or tenths of tons, whichever unit is designated in the production schedule (in the policy) for the measurement of each commodity. The net insured acres (acres times insured interest) for each crop on an insurance unit shall be rounded to the unit designated on the county actuarial table. Other acreage figures shall be rounded to tenths of acres. Computations shall be carried one digit beyond the digit that is to be rounded. If the last digit is 1, 2, 3, or 4, the rounding shall be downward. If the last digit is 5, 6, 7, 8, or 9, the rounding shall be upward.

§ 420.33 *The policy.* The provisions of the multiple crop insurance policy for 1950 and succeeding years are as follows:

In consideration of the representations and provisions in the application upon which this policy is issued, which application is made a part of the contract, and subject to the terms and conditions set forth or referred to herein, the Federal Crop Insurance Corporation (hereinafter designated as the "Corporation") does hereby insure

(Name)

(Policy number)

(Address)

(County)

(State)

(hereinafter designated as the "insured") against unavoidable loss on his insured crops due to drought, flood, hail, wind, frost, freeze, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, pole burn and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. (For any irrigated acreage, see attached rider.)

In witness whereof, the Federal Crop Insurance Corporation has caused this policy to be issued this _____ day of _____, 19____.

FEDERAL CROP INSURANCE
CORPORATION,
By _____
State Crop Insurance Director.

TERMS AND CONDITIONS

1. *Crops insured.* The crops to be insured shall be those crops which are specified on the application until changed pursuant to the provisions of this policy. If the insured plants any part of his insurable crops for purposes other than that shown on the attached rider, he shall submit with his acreage report a designation of any acreage so planted. Upon approval of the Corporation, the acreage used in computing the premium and total coverage shall not include acreage so designated. However, any production harvested from such acreage shall be considered as production on the insured acreage in determining any loss under the contract.

2. *Insurable acreage.* For each crop year of the contract, any acreage is insurable for a crop only if a coverage for such acreage is shown for that crop on the county actuarial table (including maps and related forms) on the closing date for filing applications for insurance for that crop year, provided the farming practice followed on such acreage is one for which a coverage was established.

3. *Responsibility of insured to report acreage and interest.* (a) Promptly after planting the insurable crops (winter or spring) each year, the insured shall submit to the Corporation, on a form entitled "Multiple Crop Insurance Acreage Report," a report over his signature of the number of acres in the county planted to each insured crop in which he has an interest at the time of planting. This report shall show the acreage of each insured crop for each insurance unit and his interest in each at the time of planting. If the insured does not have an insurable interest in any insured crop in any year, the acreage report shall nevertheless be submitted promptly after the planting of the insurable crops is generally completed in the county. Any acreage report submitted by the insured shall be considered final and not subject to change by the insured. However, in case a substitute insured crop is to be planted on acreage released by the Corporation and such acreage has definite boundaries and a full seedling of the substitute crop is to be made in time reasonably to expect a normal crop to be produced, such acreage of the substitute crop may be reported on a supplemental acreage report if it is filed by the insured with the Corporation representative at the time the first crop is released.

(b) The Corporation may elect to determine that the insured acreage is "zero" if the insured fails to file an acreage report within 30 days after planting the applicable insurable crops (winter or spring) is generally completed in the county, as determined by the Corporation.

(c) Failure of the county office to request submission of such report or to send a personal representative to obtain the report shall not relieve the insured of the responsibility to make such report.

4. *Insured acreage.* The insured acreage with respect to each insurance unit shall be the acreage of all insured crops as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect, except that (a) insurance shall not attach with respect to (1) any acreage planted to an insured crop which is destroyed or substantially destroyed and on which it is practical to replant to the same crop, as determined by the Corporation, and such acreage is not replanted to such crop, (2) any acreage initially planted to an insured crop too late to expect a normal crop to be produced, as determined by the Corporation and (3) any acreage planted for harvest in a crop year for which cancellation of the contract becomes effective. (For any irrigated acreage see attached rider.) and (b) if the premium computed for an insurance unit on the basis of the acreage report is less than the premium computed for the planted acreage of all insured crops on the insurance unit, the insured acreage for each insured crop on the insurance unit shall be reduced proportionately. The Corporation reserves the right to limit the insured acreage of any crop or crops to the allotment or permitted acreage established under any act of Congress including the Agricultural Adjustment Act of 1938, as amended.

5. *Insured interest.* The insured interest in each insured crop covered by the contract shall be the insured's interest at the time of planting as reported on the acreage report or the interest which the Corporation determines as the insured's actual interest in the crop at the time of planting, whichever the Corporation shall elect. For the purpose of determining the amount of loss the insured interest in each insured crop shall not exceed the insured's actual interest at the time of loss or the beginning of harvest, whichever occurs first.

6. *Life of contract, cancellation thereof.* (a) Subject to the provisions of paragraph (d) of this section, the contract shall be in effect for the first crop year specified on

the application and shall continue in effect for each succeeding crop year until either party gives to the other party, on or before the cancellation date of any year, written notice of cancellation which shall be effective: (1) Beginning with insurable crops planted for harvest in the next calendar year in counties where the cancellation date is between July 1 and January 1, or (2) beginning with insurable crops planted for harvest in the same calendar year in counties where the cancellation date is between January 1 and July 1. Any notice of cancellation given by the insured to the Corporation shall be submitted in writing to the county office.

(b) If the insured cancels the contract, he shall not be eligible for crop insurance for the crop year for which the cancellation is to become effective unless he subsequently files an application for insurance on or before the cancellation date for such year.

(c) If for two consecutive crop years no insurable crops in which the insured has an insurable interest are planted in the county, the contract shall terminate.

(d) If the minimum participation requirement as established by the Corporation is not met for any year the contract shall continue in force only to the end of the crop year for which such requirement is not met, except that if the minimum participation requirement is met on or before the next succeeding applicable closing date the contract shall continue to be in force.

7. *Changes in contract.* The Corporation reserves the right to change the insurable crop(s), premium rate(s), insurance coverage(s) and other terms and provisions of the contract from year to year. Notice of such changes shall be mailed to the insured at least 15 days prior to the applicable cancellation date shown herein. Failure of the insured to cancel the contract as provided in section 6 shall constitute his acceptance of any such changes. If no notice is mailed to the insured, the terms and provisions of the contract for the prior year shall continue in force.

8. *Causes of loss not insured against.* The contract shall not cover loss caused by: (a) Failure to follow recognized good farming practices; (b) poor farming practices, including but not limited to the use of defective or unadapted seed, failure to plant a sufficient quantity of seed, failure properly to prepare the land for planting or properly to plant, care for or harvest and thresh the insured crop (including unreasonable delay thereof); (c) over-pasture; (d) following different fertilizer or farming practices than those considered in establishing the coverage per acre; (e) planting an insurable crop on land which is generally considered incapable of producing a crop comparable to that produced on the land considered in establishing the coverage per acre; (f) planting a variety of seed which differs materially in yield from the variety considered in establishing the coverage per acre; (g) planting excessive acreage under abnormal conditions; (h) planting an uninsured crop with an insured crop or in the growing insured crop; (i) planting an insured crop under conditions of immediate hazard; (j) inability to obtain labor, seed, fertilizer, machinery, repairs or insect poison; (k) breakdown of machinery, or failure of equipment due to mechanical defects; (l) neglect or malfeasance of the insured or of any person in his household or employment or connected with the farm as tenant, sharecropper, or wage hand; (m) domestic animals or poultry; (n) action of any person, or state, county or municipal government in the use of chemicals for the control of weeds; or (o) theft. (For any irrigated acreage, see attached riders.)

9. *Notice of loss or damage.* (a) If a loss under the contract is probable, notice in writing (unless otherwise provided by the

Corporation) shall be given the Corporation at the county office immediately after any material damage to any insured crop. The crop shall not be harvested, removed, or any other use made of it (unless otherwise provided in the attached rider) until it has been inspected by the Corporation.

(b) If, at the completion of harvesting of the last insured crop, a loss under the contract has been sustained, or is probable, notice in writing (unless otherwise provided by the Corporation) shall be given immediately to the Corporation at the county office. If such notice is not given within 15 days after threshing (harvest in the case of any crop which is not threshed) is completed, or the latest date for the end of the insurance period for any crop insured under the contract, whichever date is earlier, the Corporation reserves the right to reject any claim for indemnity.

10. *Released acreage.* Any acreage on which an insured crop has been destroyed or substantially destroyed may be released by the Corporation. The crop shall be deemed to have been substantially destroyed if the Corporation determines that it has been so badly damaged that farmers generally in the area where the land is located and on whose farms similar damage occurred would not further care for the crop, or harvest any portion thereof. No insured acreage may be planted to a substitute crop or put to another use until the Corporation releases such acreage. On any acreage where the crop has been partially destroyed but not released by the Corporation, proper measures shall be taken to protect the crop from further damage. There shall be no abandonment of any crop or portion thereof to the Corporation.

11. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period for all insured crops planted on the insurance unit unless all insured crops on the insurance unit were destroyed or substantially destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such destruction, as determined by the Corporation.

12. *Proof of loss.* If a loss is claimed, the insured shall submit to the Corporation, the Corporation form entitled "Statement in Proof of Loss for Multiple Crops," containing such information regarding the manner and extent of the loss as may be required by the Corporation. The statement in proof of loss shall be submitted not later than sixty days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. It shall be a condition precedent to any liability under the contract that the insured establish the actual production of each insured crop, the amount of any loss for which claim is made, and that such loss has been directly caused by one or more of the hazards insured against by the contract during the insurance period for the crop year for which the loss is claimed, and that the insured further establish that the loss has not arisen from or been caused by, either directly or indirectly, any of the causes of loss not insured against by the contract. If a loss is claimed, any acreage of insured crops which is not to be harvested shall be left intact until the Corporation makes an inspection.

13. *Insurance unit.* Losses shall be determined separately for each insurance unit except as provided in the attached rider. An insurance unit consists of (a) all the insurable acreage in the county in which the insured has 100 percent interest at the time of planting, plus any insurable acreage owned by him and worked for him by sharecroppers at the time of planting, or (b) all the insurable acreage in the county owned by one person which is operated by the insured as a share tenant, or (c) all the insurable acreage in the county which is owned by the insured and is rented to one

share tenant at the time of planting, or (d) all the insurable acreage in the county which is owned by one person and worked by the insured as a sharecropper at the time of planting. However, if an applicant so elects on his application, all insurance units may be combined into one combination unit. An insured may change his contract beginning with any crop year to or from a combination unit basis by advising the Corporation in writing at the county office prior to the applicable closing date. For any crop year of the contract acreage shall be considered to be located in the county if a coverage is shown therefor on the county actuarial table. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

14. Payment of indemnity. (a) Indemnities shall be paid only by check. The amount of indemnity for which the Corporation may be liable will be payable within thirty days after satisfactory proof of loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damages on account of such delay.

(b) Indemnities shall be subject to all provisions of the contract, including the right of the Corporation to deduct from any indemnity the unpaid amount of any earned premium plus any interest due and any other obligation of the insured to the Corporation.

(c) Any indemnity payable under a contract shall be paid to the insured or such other person as may be entitled to the benefits under the provisions of the contract, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, equity, or bankruptcy, directed against the insured or such other person, or against any indemnity alleged to be due to such person; nor shall the Corporation or any officer, employee, or representative thereof, be a proper party to any suit or action with reference to such indemnity, nor be bound by any judgment, order, or decree rendered or entered therein. No officer, agent, or employee of the Corporation shall, because of any such process, order, or decree, pay or cause to be paid to any person other than the insured or other person entitled to the benefits of the contract, any indemnity payable in accordance with the provisions of the contract. Nothing herein contained shall excuse any person entitled to the benefits of the contract from full compliance with or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

(d) If a check issued in payment of an indemnity is returned undeliverable at the last known address of the payee, and if such payee or other person entitled to the indemnity makes no claim for payment within two years after the issuance of the check, such claim shall not thereafter be payable, except with the consent of the Corporation.

15. Payment to transferee. (a) If the insured transfers all or a part of his insured interest in an insured crop before the beginning of harvest or the time of loss, whichever occurs first, he shall immediately notify the Corporation thereof in writing at the county office. The transferee under such a transfer will be entitled to the benefits of the contract with respect to the interest so transferred, provided the transferee immediately following the transfer makes suitable arrangements with the Corporation for the payment of any premium with respect to the interest so transferred, whereupon the transferee and transferor shall be jointly and severally liable for the amount of such premium. Any transfer shall be subject to any collateral assignment made by the original insured in accordance with section 19. However, the Corporation reserves the right to limit its liability to the amount of indemnity in connection with

the insured crop(s) that would have been paid if the transfer had not taken place.

(b) An involuntary transfer of an insured interest in any insured crop solely because of the existence of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or other process shall not entitle any holder of any such interest to any benefits under the contract.

(c) Any deduction to be made from an indemnity payable to the transferee shall not exceed the annual premium (plus any interest due) on the land involved in the transfer, plus the unpaid amount of any other obligation of the transferee to the Corporation.

(d) If, as a result of any transfer, diverse interests appear with respect to any insurance unit, any indemnity payable with respect to such unit may be paid jointly to all persons having the insured interest in the crop at the time harvest is commenced or the time of loss, whichever occurs first, or to one of such persons on behalf of all such persons, and payment in any such manner shall constitute a complete discharge of the Corporation's liability with respect to such unit under the contract.

(e) If a transfer is effected in accordance with paragraph (a) above, the contract of the transferor shall cover the interest so transferred only to the end of the insurance period for the crop year during which the transfer is made.

16. Determination of person to whom indemnity shall be paid. In any case where the insured has transferred his interest in all or a part of any insured crop on any insurance unit, or has ceased to act as a fiduciary, or has died, has been judicially declared incompetent or has disappeared, payment in accordance with the provisions of the contract will be made only after the facts have been established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment will be made shall be final and conclusive. Payment of an indemnity under this section shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

17. Other insurance. (a) If the insured has or acquires any other insurance against substantially all the risks that are insured against by the Corporation under the contract, regardless of whether such other insurance is valid or collectible, the liability of the Corporation shall not be greater than its share would be if the amount of its obligations were divided equally between the Corporation and such other insurer.

(b) In any case where an indemnity is paid to the insured by another Government agency because of damage to the insured crop(s), the Corporation reserves the right to determine its liability under the contract, taking into consideration the amount paid by such other agency.

18. Subrogation. The Corporation may require from the insured an assignment of all rights of recovery against any person(s), for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

19. Collateral assignment. The original insured may assign his right to an indemnity under the contract by executing a form entitled "Collateral Assignment" and upon approval thereof by the Corporation the interest of the assignee will be recognized, including the right of the assignee to submit a "Statement in Proof of Loss" if the insured refuses to submit or disappears without having submitted such statement.

20. Records and access to farm. For the purpose of enabling the Corporation to deter-

mine any loss that may have occurred under the contract, the insured shall keep, or cause to be kept, for one year after the time of loss, records of the harvesting, storage, shipment, sale or other disposition, of all insured crops produced on each insurance unit covered by the contract, and on any uninsured acreage in the county in which he has an interest and such records shall be made available for examination by the Corporation. As often as may be reasonably required, any person(s) designated by the Corporation shall have access to the farm(s) for purposes related to the contract.

21. Avoidance of contract. The contract may be voided and the premium forfeited to the Corporation without the Corporation's waiving any right or remedy, including its right to collect the amount of the premium note executed by the insured, whether before or after maturity, if (a) at any time the insured has concealed any material fact or made any false or fraudulent statements relating to the contract, the subject thereof, or his interest in the insured crop(s) covered thereby, or (b) the insured shall neglect to use all reasonable means to produce, care for or save the insured crop(s) covered thereby whether before or after damage has occurred, or (c) the insured fails to give any notice, or otherwise fails to comply with the terms of the contract, including the premium note, at the time and in the manner prescribed.

22. Modification of contract. No notice to any representative of the Corporation or knowledge possessed by any such representative or by any other person shall be held to effect a waiver of or change in any part of the contract, or to estop the Corporation from asserting any right or power under such contract, nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation; nor shall any provision or condition of the contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers thereunder or by any requirement, act, or proceeding on the part of the Corporation or of its representatives relating to appraisal or to any examination herein provided for.

23. General. (a) In addition to the terms and provisions in the application and policy, the Multiple Crop Insurance Regulations for Continuous Contracts in effect for the crop year involved shall govern with respect to (1) minimum participation requirement, (2) closing date for filing applications for insurance, (3) death, incompetence, or disappearance of the insured, (4) fiduciaries, (5) prohibition against assignment or transfer of claims for refunds, (6) creditors, and (7) rounding of fractional units.

(b) Copies of the regulations and forms referred to in this policy are available at the county office.

24. Meaning of terms. For the purpose of the multiple crop insurance program, the terms:

(a) "Contract" means the accepted application for insurance and this policy.

(b) "County Actuarial Table" means the form and related material (including the crop insurance maps) approved by the Corporation for listing the coverages per acre and the premium rates applicable in the county, and shall be on file in the county office.

(c) "County office" means the office of the County Agricultural Conservation Association in the county or other office specified by the Corporation.

(d) "Crop year" means the period within which the insured crops are planted and normally harvested, and shall be designated by reference to the calendar year in which the crops are normally harvested.

(e) "Person" means an individual, partnership, association, corporation, estate, or trust,

or other business enterprise or other legal entity, and wherever applicable, a state, a political subdivision of a state, or any agency thereof.

(f) "Sharecropper" means a person who works a farm in whole or in part under the supervision of the operator, with workstock and equipment furnished by a person other than himself, and who is entitled to receive a share of the insured crop(s) produced thereon or of the proceeds therefrom.

(g) "Share tenant" means a person (other than a sharecropper) who rents land from another person for a share of the crop(s) or proceeds therefrom produced on such land.

(h) "Substitute crop" means any crop, other than an uninsured legume crop, planted on released acreage for harvest in the current crop year.

25. *Amount of annual premium.* The premium rate for each insured crop will be the applicable number of dollars established by the Corporation for the coverage and rate area in which the insured acreage is located and will be shown by practices on the county actuarial table on file in the county office. The annual premium for each insurance unit under the contract will be based upon (a) the insured acreage of each insurable crop, (b) the applicable premium rate(s) and (c) the insured interest in each crop at the time of planting. The annual premium for the contract shall be the total of the premiums computed for the insured for all insurance units covered by the contract. The annual premium with respect to any insured acreage shall be regarded as earned when the insured crop on such acreage is planted.

26. *Manner of payment of premium.* (a) The applicant executes a premium note by signing the application for multiple crop insurance. The note represents a promise to pay to the Corporation annually, during the life of the contract, on or before the maturity date shown in the attached rider, the premium for all insurance units covered by the contract.

(b) A discount of five percent shall be allowed on any annual premium which is paid in full on or before the discount date shown in the attached rider if the insured has submitted to the Corporation at the county office his current multiple crop acreage report(s) on or before such discount date.

(c) Any premium note not paid at maturity shall bear interest computed not on a per annum basis but as follows: Three percent on the amount not paid on or before the interest date (shown in the attached rider) following the maturity date and an additional one percent on the principal amount owing at the end of each two calendar month period thereafter.

(d) Payment on any annual premium shall be made by means of cash or by check, money order, postal note, or bank draft payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection and payments tendered shall not be regarded as paid unless collection is made.

(e) Any unpaid amount of any annual premium plus any interest due may be deducted (either before or after the date of maturity) from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payment made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture. There shall be no refund of any premium overpayment of less than \$1.00 unless written request for such refund is received by the Corporation within one year after the payment thereof.

§ 420.34 *Riders to the policy.* A rider shall be prepared for each county in

which insurance is offered and shall include: (a) A designation of the period in each crop year during which insurance protection will be provided; (b) the manner in which losses shall be determined including the prices to be used in valuing production; (c) the maturity and interest date of the premium note, premium discount date, and the cancellation date referred to in the policy; and (d) any other provisions considered necessary or advisable including (1) provisions specifying additional categories of acreage to which insurance shall not attach, (2) special provisions with respect to individual crops, (3) special provisions to cover insurance written on an irrigated basis and (4) additional definitions. The applicable rider shall be on file in the county office and a copy thereof shall be attached to and be made part of the policy of each insured.

These riders and any revisions thereof shall be published in the **FEDERAL REGISTER**.

NOTE: The record keeping requirements of these regulations have been approved by, and subsequent reporting requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted by the Board of Directors on August 16, 1949.

[SEAL] E. D. BERKAW,
Secretary,
Federal Crop Insurance Corporation.

Approved: August 23, 1949.

A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 49-6906; Filed, Aug. 25, 1949;
8:59 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Civil Air Regs., Amdt. 4b-13]

PART 4b—AIRPLANE AIRWORTHINESS; TRANSPORT CATEGORY

OXYGEN REQUIREMENTS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 17th day of August 1949.

Currently effective Part 4b provides that where oxygen is supplied to comply with operational requirements for its use, the oxygen system installation shall be free from hazards in itself, in its method of operation, and in its effect on other components of the airplane. The regulations further provide that the oxygen equipment shall be of a type and design which experience or conclusive tests have shown to be adequate for the intended use. Provision is also made for determining the minimum amount of supplemental oxygen required per person by using the data given in Figure 4b-19, *infra*.

The purpose of this amendment, which continues the present general standards for the installation of the oxygen system and the provision for determining the mass flow of oxygen required per person with certain modifications, is to require that a means be provided to enable the

crew to determine the quantity of oxygen available in each source of supply, and whether it is being delivered to each user, and to establish equipment standards for the distribution system and the dispensing units.

Past experience in the use of oxygen in transport type aircraft indicates the necessity of specifying more definitely the type of oxygen equipment necessary. The equipment standards for the distribution system require that the system be designed to provide either a separate source of supply of oxygen for the flight crew on duty and for the passengers and other crew members or a common source of supply with means provided so that the minimum supply required by the flight crew on duty can be separately reserved. The equipment standards established for the dispensing units provide that where such a unit is required by other parts of the Civil Air Regulations all units shall be designed to cover the nose, and at least 25% of the units shall cover the mouth as well.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing the Civil Aeronautics Board hereby amends Part 4b of the Civil Air Regulations (14 CFR, Part 4b, as amended) effective September 21, 1949:

1. By amending § 4b.831 to read as follows:

§ 4b.831 *Oxygen equipment and supply; general.* Where oxygen is provided to comply with either the supplemental breathing or protective breathing requirements of this and other parts of these regulations, the oxygen equipment and its installation shall meet the general requirements of this section. In addition, the supplemental breathing equipment shall meet the requirements of § 4b.832. For purposes of the regulations in this part the term supplementary breathing equipment shall mean equipment designed to supply the supplementary oxygen required to protect against anoxia at altitudes where the partial pressure of oxygen in ambient air is reduced, and the term protective breathing equipment shall mean equipment designed to prevent the breathing of noxious gases which may be present as contaminants in the air within the airplane in emergency situations.

(a) The oxygen system installed shall be free from hazards in itself, in its method of operation, and in its effect on other components of the airplane.

(b) The equipment and installation shall be adequate to perform the intended functions.

(c) A means shall be provided to enable the crew to determine the quantity of oxygen available in each source of supply.

2. By adding §§ 4b.832, 4b.833, 4b.834, 4b.835, and 4b.836 to read as follows:

§ 4b.832 *Supplemental breathing equipment requirements.* In addition to complying with the requirements of § 4b.831, the supplemental breathing

equipment shall meet the requirements of §§ 4b.833, 4b.834, 4b.835, and 4b.836.

§ 4b.833 *Required minimum mass flow of oxygen.* Where supplemental oxygen is required by other parts of the regulations in this part to be furnished to crew members and passengers, the mass flow of oxygen required per person at various cabin pressure altitudes shall be at least that indicated by Figure 4b-19.

§ 4b.834 *Equipment standards for distribution system.* Where oxygen is to be supplied to both crew and passengers, the distribution system shall be designed to provide either:

(a) A source of supply for the flight crew on duty and a separate source for the passengers and other crew members, or

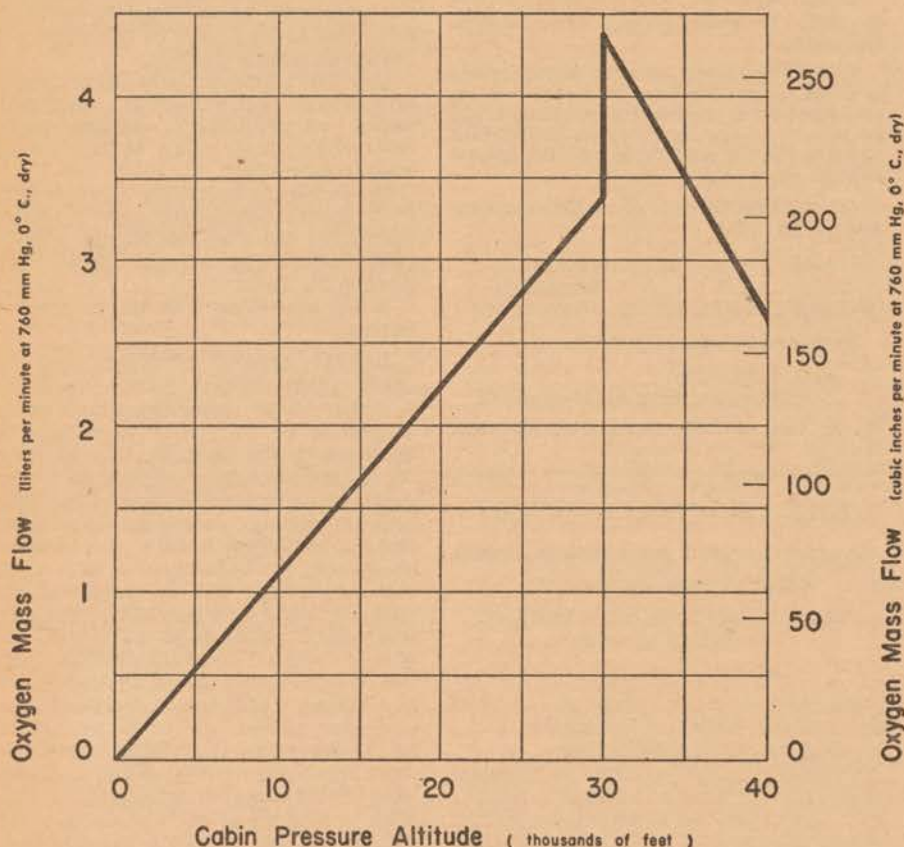
(b) A common source of supply with means provided so that the minimum

supply required by the flight crew on duty can be separately reserved.

§ 4b.835 *Equipment standards for dispensing units.* An individual dispensing unit shall be provided for each crew member and passenger for whom supplemental oxygen is required to be furnished by other parts of the regulations in this part. All units shall be designed to cover the nose, and at least 25% of the units required to be furnished shall, in addition, cover the mouth. (See also the pertinent air carrier operating rules for crew masks to be used in an emergency.)

§ 4b.836 *Means for determining use of oxygen.* A means shall be provided to enable the crew to determine whether oxygen is being delivered to each user.

3. By amending Figure 4b-19 to read as follows:



NOTE: 1. Data based on:
 a. System 100% efficient.
 b. Respiratory minute volume equals 15 liters (915 cubic inches) per minute.
 c. 100% oxygen above 30,000 feet.
 2. For diluter-demand regulators use flow characteristics supplied by manufacturer to calculate required supply. Such flows must not be less than those indicated on this graph at delivery rate of 15 liters per minute.

FIG. 4b-19—Minimum flow of oxygen for operation at various altitudes.

(Secs. 205 (a), 601, 603, 52 Stat. 984, 1007, 1009; 49 U. S. C. 425 (a), 551, 553)
 By the Civil Aeronautics Board.

[SEAL]

M. C. MULLIGAN,
 Secretary.

[F. R. Doc. 49-6915; Filed, Aug. 25, 1949; 9:36 a. m.]

[Civil Air Regs., Amdt. 41-5]

PART 41—CERTIFICATION AND OPERATION
 RULES FOR SCHEDULED AIR CARRIER OPERATIONS OUTSIDE CONTINENTAL LIMITS OF THE UNITED STATES

OXYGEN REQUIREMENTS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 17th day of August 1949.

Part 41 currently provides that aircraft which do not have pressurized cabins and which are operated continuously for more than 30 minutes at an altitude exceeding 10,000 feet above sea level, or for any length of time at an altitude exceeding 12,000 feet above sea level, shall be equipped with effective oxygen apparatus and an adequate supply of oxygen available for use by the flight crew and that such aircraft, when operated at an altitude exceeding 12,000 feet above sea level, shall also be equipped with an adequate separate supply of oxygen available for the use of passengers. With respect to pressurized cabin airplanes, unless they are equipped in the same manner as provided for nonpressurized aircraft, Part 41 further provides that such aircraft shall not be operated with a cabin pressure less than that corresponding with a pressure altitude of 10,000 feet. In addition, it is provided that such aircraft, when operated at altitudes in excess of 18,000 feet above sea level, shall be equipped with an adequate emergency supply of oxygen available for the use of the flight crew.

This amendment is designed to require a more adequate supply of oxygen to be provided for both flight crew and passengers, to require use of oxygen at critical altitudes by the flight crew on flight deck duty, to make more adequate provision for oxygen supply in pressurized cabin airplanes in the event of pressure failure, and to require an adequate supply of oxygen and equipment to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases.

It is contemplated that the Administrator will usually require, as part of the equipment required to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases, suitable portable oxygen equipment to permit at least one such crew member to inspect the airplane to determine the source of smoke and gases.

It should be noted that the amendment permits a degree of flexibility in required passenger oxygen supply at altitudes above 14,000 feet to and including 15,000 feet. This flexibility is provided to permit an air carrier to operate older-type aircraft at such altitudes for the short periods of time necessary to clear terrain in certain areas of the country or to fly over localized weather or traffic conditions along the route without imposing the economic penalty that strict compliance with these regulations would require and which flight experience in the past several years would not indicate to be necessary. It will continue to be a

primary responsibility of the air carrier to carry a sufficient supply of oxygen for passenger safety and comfort at any altitude flown including altitudes above 14,000 to and including 15,000 feet.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 41 of the Civil Air Regulations (14 CFR, Part 41, as amended):

1. By amending § 41.24, effective March 1, 1950, to read as follows:

§ 41.24 *Supplemental oxygen.* Except where supplemental oxygen is provided in accordance with the requirements of § 41.24a, supplemental oxygen shall be furnished and used as set forth below: *Provided*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with the following requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain. The amount of supplemental oxygen required for a particular operation to comply with the rules in this part shall be determined on the basis of flight altitudes and flight duration consistent with the operating procedures established for such operation and route. As used in the oxygen requirements hereinafter set forth, "altitude" shall mean the pressure altitude corresponding with the pressure in the cabin of the airplane, and "flight altitude" shall mean the altitude above sea level at which the airplane is operated.

(a) *Crew members.* (1) At altitudes above 10,000 feet to and including 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the portion of the flight in excess of 30 minutes within this range of altitudes.

(2) At altitudes above 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the entire flight time at such altitudes.

(b) *Passengers.* Each air carrier shall provide a supply of oxygen for passenger safety as approved by the Administrator in accordance with the following requirements:

(1) For flights of over 30-minute duration at altitudes above 8,000 feet to and including 14,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be required.

(2) For flights at altitudes above 14,000 feet to and including 15,000 feet a supply of oxygen sufficient to provide oxygen for the duration of the flight at such altitudes for 30 percent of the number of passengers carried shall generally be considered adequate.

(3) For flights at altitudes above 15,000 feet a supply of oxygen sufficient to

provide oxygen for each passenger carried during the entire flight at such altitudes shall be required.

2. By adding § 41.24a, effective March 1, 1950, to read as follows:

§ 41.24a *Supplemental oxygen requirements for pressurized cabin airplanes.* When operating pressurized cabin airplanes, the air carrier shall so equip such airplanes as to permit compliance with the following requirements in the event of cabin pressurization failure: *Provided*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

(a) *For crew members.* When operating such airplanes at flight altitudes above 10,000 feet, the air carrier shall provide sufficient oxygen for all crew members for the duration of the flight at such altitudes: *Provided*, That not less than a two-hour supply of oxygen shall be provided for the flight crew members on flight deck duty. (The oxygen supply required by § 41.24c may be considered in determining the supplemental breathing supply required for flight crew members on flight deck duty in the event of cabin pressurization failure.)

(b) *For passengers.* When operating such airplanes at flight altitudes above 8,000 feet, the air carrier shall provide the following amount of oxygen:

(1) Where an airplane is not flown at a flight altitude of over 25,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be considered adequate, if at any point along the route to be flown the airplane can safely descend to a flight altitude of 14,000 feet or less within 4 minutes.

(2) In the event that such airplane cannot descend to a flight altitude of 14,000 feet or less within 4 minutes, the following supply of oxygen shall be provided:

(i) For the duration of the flight in excess of 4 minutes at altitudes above 15,000 feet, a supply sufficient to comply with § 41.24 (b) (3);

(ii) For the duration of the flight at altitudes above 14,000 feet to and including 15,000 feet, a supply sufficient to comply with § 41.24 (b) (2); and

(iii) For flight at altitudes above 8,000 feet to and including 14,000 feet, a supply sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried.

(3) Where an airplane is flown at an altitude above 25,000 feet sufficient oxygen shall be furnished in accordance with the following requirements to permit the airplane to descend to an appropriate flight altitude at which the flight can be safely conducted. Sufficient oxygen shall be furnished to provide oxygen for 30 minutes to 10 percent of the number of passengers carried for the duration of

the flight above 8,000 feet to and including 14,000 feet and to permit compliance with § 41.24 (b) (2) and (b) (3) for flight above 14,000 feet.

(c) For purposes of this section it shall be assumed that the cabin pressurization failure will occur at a time during flight which is critical from the standpoint of oxygen need and that after such failure the airplane will descend, without exceeding its normal operating limitations, to altitudes permitting safe flight with respect to terrain clearance.

3. By adding § 41.24b, effective March 1, 1950, to read as follows:

§ 41.24b *Equipment standards.* The oxygen apparatus, the minimum rates of oxygen flow, and the supply of oxygen necessary to comply with the requirements of § 41.24 shall meet the standards established in §§ 4b.831 and 4b.832: *Provided*, That where full compliance with such standards is found by the Administrator to be impractical, he may authorize such changes in these standards as he finds will provide an equivalent level of safety: *And provided further*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

4. By adding § 41.24c, effective October 21, 1949, to read as follows:

§ 41.24c *Protective breathing equipment for the flight crew—*(a) *Pressurized cabin airplanes.* Each flight crew member on flight deck duty shall have easily available at his station protective breathing equipment covering the eyes, nose, and mouth, or the nose and mouth where accessory equipment is provided to protect the eyes, to protect him from the effects of smoke, carbon dioxide, and other harmful gases.

(1) Not less than a 300-liter STPD supply of oxygen for each flight crew member on flight deck duty shall be provided for this purpose.

(b) *Nonpressurized cabin airplanes.* The requirement stated in paragraph (a) of this section shall apply to nonpressurized cabin airplanes, if the Administrator finds that it is possible to obtain a dangerous concentration of smoke, carbon dioxide, or other harmful gases in the flight crew compartments in any attitude of flight which might occur when the aircraft is flown in accordance with either the normal or emergency procedures approved by the Administrator.

(Secs. 205 (a), 601, 603, 604, 52 Stat. 984, 1007, 1009, 1010, 62 Stat. 1216; 49 U. S. C. 425 (a), 551, 553, 554; Pub. Law 872, 80th Cong. 2d Sess.)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-6912; Filed, Aug. 25, 1949; 9:11 a. m.]

[Civil Air Regs., Amdt. 42-2]

PART 42—IRREGULAR AIR CARRIER AND
OFF-ROUTE RULES

OXYGEN REQUIREMENTS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 17th day of August 1949.

Part 42 currently provides that aircraft which are operated continuously for more than 30 minutes at an altitude exceeding 10,000 feet above sea level, or for any length of time at an altitude exceeding 12,000 feet above sea level, shall be equipped with effective oxygen apparatus and an adequate supply of oxygen available for use by the flight crew and that such aircraft, when operated at an altitude exceeding 12,000 feet above sea level, shall also be equipped with an adequate separate supply of oxygen available for the use of passengers. There are no provisions specifically applying to pressurized cabin airplanes. (The provisions of Part 42 as well as the amendments contained herein are also applicable to commercial operations under the provisions of Part 45 of the Civil Air Regulations.)

This amendment is designed to require a more adequate supply of oxygen to be provided for both flight crew and passengers, to require use of oxygen at critical altitudes by the flight crew on flight deck duty, to make provision for oxygen supply in pressurized cabin airplanes in the event of pressure failure, and to require an adequate supply of oxygen and equipment to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases.

It is contemplated that the Administrator will usually require, as part of the equipment required to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases, suitable portable oxygen equipment to permit at least one such crew member to inspect the airplane to determine the source of smoke and gases.

It should be noted that the amendment permits a degree of flexibility in required passenger oxygen supply at altitudes above 14,000 feet to and including 15,000 feet. This flexibility is provided to permit an air carrier to operate older-type aircraft at such altitudes for the short periods of time necessary to clear terrain in certain areas of the country or to fly over localized weather or traffic conditions along the route without imposing the economic penalty that strict compliance with these regulations would require and which flight experience in the past several years would not indicate to be necessary. It will continue to be a primary responsibility of the air carrier to carry a sufficient supply of oxygen for passenger safety and comfort at any altitude flown including altitudes above 14,000 to and including 15,000 feet.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends

Part 42 of the Civil Air Regulations (14 CFR, Part 42, as amended):

1. By amending § 42.26, effective March 1, 1950, to read as follows:

§ 42.26 *Supplemental oxygen.* Except where supplemental oxygen is provided in accordance with the requirements of § 42.47, supplemental oxygen shall be furnished and used as set forth below: *Provided*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with the following requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain. The amount of supplemental oxygen required for a particular operation to comply with the rules in this part shall be determined on the basis of flight altitudes and flight duration consistent with the operating procedures established for such operation and route. As used in the oxygen requirements hereinafter set forth, "altitude" shall mean the pressure altitude corresponding with the pressure in the cabin of the airplane, and "flight altitude" shall mean the altitude above sea level at which the airplane is operated.

(a) *Crew members.* (1) At altitudes above 10,000 feet to and including 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the portion of the flight in excess of 30 minutes within this range of altitudes.

(2) At altitudes above 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the entire flight time at such altitudes.

(b) *Passengers.* Each air carrier shall provide a supply of oxygen for passenger safety as approved by the Administrator in accordance with the following requirements:

(1) For flights of over 30-minute duration at altitudes above 8,000 feet to and including 14,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be required.

(2) For flights at altitudes above 14,000 feet to and including 15,000 feet a supply of oxygen sufficient to provide oxygen for the duration of the flight at such altitudes for 30 percent of the number of passengers carried shall generally be considered adequate.

(3) For flights at altitudes above 15,000 feet a supply of oxygen sufficient to provide oxygen for each passenger carried during the entire flight at such altitudes shall be required.

2. By adding § 42.27, effective March 1, 1950, to read as follows:

§ 42.27 *Supplemental oxygen requirements for pressurized cabin airplanes.* When operating pressurized cabin airplanes, the air carrier shall so equip such airplanes as to permit compliance with the following requirements in the event of cabin pressurization failure: *Provided*,

That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

(a) *For crew members.* When operating such airplanes at flight altitudes above 10,000 feet, the air carrier shall provide sufficient oxygen for all crew members for the duration of the flight at such altitudes: *Provided*, That not less than a two-hour supply of oxygen shall be provided for the flight crew members on flight deck duty. (The oxygen supply required by § 42.29 may be considered in determining the supplemental breathing supply required for flight crew members on flight deck duty in the event of cabin pressurization failure.)

(b) *For passengers.* When operating such airplanes at flight altitudes above 8,000 feet, the air carrier shall provide the following amount of oxygen:

(1) Where an airplane is not flown at a flight altitude of over 25,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be considered adequate, if at any point along the route to be flown the airplane can safely descend to a flight altitude of 14,000 feet or less within 4 minutes.

(2) In the event that such airplane cannot descend to a flight altitude of 14,000 feet or less within 4 minutes, the following supply of oxygen shall be provided:

(i) For the duration of the flight in excess of 4 minutes at altitudes above 15,000 feet, a supply sufficient to comply with § 42.26 (b) (3);

(ii) For the duration of the flight at altitudes above 14,000 feet to and including 15,000 feet, a supply sufficient to comply with § 42.26 (b) (2); and

(iii) For flight at altitudes above 8,000 feet to and including 14,000 feet, a supply sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried.

(3) Where an airplane is flown at an altitude above 25,000 feet, sufficient oxygen shall be furnished in accordance with the following requirements to permit the airplane to descend to an appropriate flight altitude at which the flight can be safely conducted. Sufficient oxygen shall be furnished to provide oxygen for 30 minutes to 10 percent of the number of passengers carried for the duration of the flight above 8,000 feet to and including 14,000 feet and to permit compliance with § 42.26 (b) (2) and (b) (3) for flight above 14,000 feet.

(c) For purposes of this section it shall be assumed that the cabin pressurization failure will occur at a time during flight which is critical from the standpoint of oxygen need and that after such failure the airplane will descend without exceeding its normal operating limitations, to altitudes permitting safe flight with respect to terrain clearance.

3. By adding § 42.28 effective March 1, 1950, to read as follows:

§ 42.28 *Equipment standards.* The oxygen apparatus, the minimum rates of oxygen flow, and the supply of oxygen necessary to comply with the requirements of § 42.26 shall meet the standards established in §§ 4b.831 and 4b.832: *Provided*, That where full compliance with such standards is found by the Administrator to be impractical, he may authorize such changes in these standards as he finds will provide an equivalent level of safety: *And provided further*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

4. By adding § 42.29 effective October 21, 1949, to read as follows:

§ 42.29 *Protective breathing equipment for the flight crew*—(a) *Pressurized cabin airplanes.* Each flight crew member on flight deck duty shall have easily available at his station protective breathing equipment covering the eyes, nose, and mouth, or the nose and mouth where accessory equipment is provided to protect the eyes, to protect him from the effects of smoke, carbon dioxide, and other harmful gases.

(1) Not less than a 300-liter STPD supply of oxygen for each flight crew member on flight deck duty shall be provided for this purpose.

(b) *Nonpressurized cabin airplanes.* The requirements stated in paragraph (a) of this section shall apply to nonpressurized cabin airplanes, if the Administrator finds that it is possible to obtain a dangerous concentration of smoke, carbon dioxide, or other harmful gases in the flight crew compartments in any attitude of flight which might occur when the aircraft is flown in accordance with either the normal or emergency procedures approved by the Administrator.

(Secs. 205 (a), 601, 603, 604, 52 Stat. 984, 1007, 1009, 1010, 62 Stat. 1216; 49 U. S. C. 425 (a), 551, 553, 554; Pub. Law 872, 80th Cong. 2d Sess.)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-6913; Filed, Aug. 25, 1949;
9:12 a. m.]

[Civil Air Regs., Amdt. 61-6]

PART 61—SCHEDULED AIR CARRIER RULES OXYGEN REQUIREMENTS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 17th day of August 1949.

Part 61 currently provides that aircraft which are operated continuously for more than 30 minutes at an altitude exceeding 10,000 feet above sea level, or for any length of time at an altitude exceeding 12,000 feet above sea level, shall be equipped with effective oxygen apparatus and an adequate supply of oxy-

gen available for use by the flight crew. There is no present requirement with regard to furnishing oxygen for the use of passengers or for pressurized cabin airplanes.

This amendment is designed to require a more adequate supply of oxygen to be provided for both flight crew and passengers, to require use of oxygen at critical altitudes by the flight crew on flight deck duty, to make provision for oxygen supply in pressurized cabin airplanes in the event of pressure failure, and to require an adequate supply of oxygen and equipment to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases.

It is contemplated that the Administrator will usually require, as part of the equipment required to protect the flight crew on flight deck duty from the effects of dangerous concentrations of smoke and harmful gases, suitable portable oxygen equipment to permit at least one such crew member to inspect the airplane to determine the source of smoke and gases.

It should be noted that the amendment permits a degree of flexibility in required passenger oxygen supply at altitudes above 14,000 feet to and including 15,000 feet. This flexibility is provided to permit an air carrier to operate older-type aircraft at such altitudes for the short periods of time necessary to clear terrain in certain areas of the country or to fly over localized weather or traffic conditions along the route without imposing the economic penalty that strict compliance with these regulations would require and which flight experience in the past several years would not indicate to be necessary. It will continue to be a primary responsibility of the air carrier to carry a sufficient supply of oxygen for passenger safety and comfort at any altitude flown including altitudes above 14,000 to and including 15,000 feet.

Interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 61 of the Civil Air Regulations (14 CFR, Part 61, as amended):

1. By amending § 61.263 effective March 1, 1950, to read as follows:

§ 61.263 *Supplemental oxygen.* Except where supplemental oxygen is provided in accordance with the requirements of § 61.264, supplemental oxygen shall be furnished and used as set forth below: *Provided*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with the following requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain. The amount of supplemental oxygen required for a particular operation to comply with the rules in this part shall be determined on

the basis of flight altitudes and flight duration consistent with the operating procedures established for such operation and route. As used in the oxygen requirements hereinafter set forth, "altitude" shall mean the pressure altitude corresponding with the pressure in the cabin of the airplane, and "flight altitude" shall mean the altitude above sea level at which the airplane is operated.

(a) *Crew members.* (1) At altitudes above 10,000 feet to and including 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the portion of the flight in excess of 30 minutes within this range of altitudes.

(2) At altitudes above 12,000 feet oxygen shall be provided for, and used by, each member of the flight crew on flight deck duty, and provided for all other crew members, during the entire flight time at such altitudes.

(b) *Passengers.* Each air carrier shall provide a supply of oxygen for passenger safety as approved by the Administrator in accordance with the following requirements:

(1) For flights of over 30-minute duration at altitudes above 8,000 feet to and including 14,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be required.

(2) For flights at altitudes above 14,000 feet to and including 15,000 feet a supply of oxygen sufficient to provide oxygen for the duration of the flight at such altitudes for 30 percent of the number of passengers carried shall generally be considered adequate.

(3) For flights at altitudes above 15,000 feet a supply of oxygen sufficient to provide oxygen for each passenger carried during the entire flight at such altitudes shall be required.

2. By adding § 61.264 effective March 1, 1950, to read as follows:

§ 61.264 *Supplemental oxygen requirements for pressurized cabin airplanes.* When operating pressurized cabin airplanes, the air carrier shall so equip such airplanes as to permit compliance with the following requirements in the event of cabin pressurization failure: *Provided*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

(a) *For crew members.* When operating such airplanes at flight altitudes above 10,000 feet, the air carrier shall provide sufficient oxygen for all crew members for the duration of the flight at such altitudes: *Provided*, That not less than a two-hour supply of oxygen shall be provided for the flight crew members on flight deck duty. (The oxygen supply required by § 61.266 may be considered in determining the supplemental breathing supply required for flight crew members on flight deck duty

in the event of cabin pressurization failure.)

(b) *For passengers.* When operating such airplanes at flight altitudes above 8,000 feet, the air carrier shall provide the following amount of oxygen:

(1) Where an airplane is not flown at a flight altitude of over 25,000 feet a supply of oxygen sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried shall be considered adequate, if at any point along the route to be flown the airplane can safely descend to a flight altitude of 14,000 feet or less within 4 minutes.

(2) In the event that such airplane cannot descend to a flight altitude of 14,000 feet or less within 4 minutes, the following supply of oxygen shall be provided:

(i) For the duration of the flight in excess of 4 minutes at altitudes above 15,000 feet, a supply sufficient to comply with § 61.263 (b) (3);

(ii) For the duration of the flight at altitudes above 14,000 feet to and including 15,000 feet, a supply sufficient to comply with § 61.263 (b) (2); and

(iii) For flight at altitudes above 8,000 feet to and including 14,000 feet, a supply sufficient to furnish oxygen for 30 minutes to 10 percent of the number of passengers carried.

(3) Where an airplane is flown at an altitude above 25,000 feet, sufficient oxygen shall be furnished in accordance with the following requirements to permit the airplane to descend to an appropriate flight altitude at which the flight can be safely conducted. Sufficient oxygen shall be furnished to provide oxygen for 30 minutes to 10 percent of the number of passengers carried for the duration of the flight above 8,000 feet to and including 14,000 feet and to permit compliance with § 61.263 (b) (2) and (b) (3) for flight above 14,000 feet.

(c) For purposes of this section it shall be assumed that the cabin pressurization failure will occur at a time during flight which is critical from the standpoint of oxygen need and that after such failure the airplane will descend, without exceeding its normal operating limitations, to altitudes permitting safe flight with respect to terrain clearance.

3. By adding § 61.265 effective March 1, 1950, to read as follows:

§ 61.265 *Equipment standards.* The oxygen apparatus, the minimum rates of oxygen flow, and the supply of oxygen necessary to comply with the requirements of § 61.263 shall meet the standards established in §§ 4b.831 and 4b.832: *Provided*, That where full compliance with such standards is found by the Administrator to be impractical, he may authorize such changes in these standards as he finds will provide an equivalent level of safety: *And provided further*, That upon application by an air carrier prior to March 1, 1950, the Administrator may authorize such air carrier to operate without full compliance with such requirements where the Administrator finds that the air carrier has made a diligent effort to meet such requirements by March 1, 1950, and that the air carrier has shown that it will comply with such requirements by a date certain.

4. By adding § 61.266 effective October 21, 1949, to read as follows:

§ 61.266 *Protective breathing equipment for the flight crew—(a) Pressurized cabin airplanes.* Each flight crew member on flight deck duty shall have easily available at his station protective breathing equipment covering the eyes, nose, and mouth, or the nose and mouth where accessory equipment is provided to protect the eyes, to protect him from the effects of smoke, carbon dioxide, and other harmful gases.

(1) Not less than a 300-liter STPD supply of oxygen for each flight crew member on flight deck duty shall be provided for this purpose.

(b) *Nonpressurized cabin airplanes.* The requirement stated in paragraph (a) of this section shall apply to nonpressurized cabin airplanes, if the Administrator finds that it is possible to obtain a dangerous concentration of smoke, carbon dioxide, or other harmful gases in the flight crew compartments in any attitude of flight which might occur when the aircraft is flown in accordance with either the normal or emergency procedures approved by the Administrator. (Secs. 205 (a), 601, 603, 604, 52 Stat. 984, 1007, 1009, 1010, 62 Stat. 1216; 49 U. S. C. 425 (a), 551, 553, 554; Pub. Law 872, 80th Cong., 2d Sess.)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-6914; Filed, Aug. 25, 1949;
9:12 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter B—Office of Domestic Commerce

[Allocation Order M-43, as Amended August 18, 1949]

PART 338—ALLOCATION ORDERS

SUBPART—TIN

Subpart—Tin (§ 338.1 to § 338.25) Allocation Order M-43, as amended June 2, 1949, 14 F. R. 2983, is further amended to read as follows:

PURPOSE

Sec. 338.1 What this subpart does.

DEFINITION OF PIG TIN

338.2 Pig tin.

RESTRICTIONS ON DELIVERIES AND ACCEPTANCE OF PIG TIN

338.3 Restriction on delivery and acceptance of pig tin.

338.4 Specific directions as to purposes and end products.

338.5 Exception for deliveries on small orders.

338.6 Exception for deliveries to R. F. C.

338.7 Basis for authorizations of deliveries of pig tin.

338.8 How authorizations are issued.

338.9 How to apply for authorization to accept delivery.

REPORTS

338.10 Reports on Form ODC-412.

USE OF TIN IN MANUFACTURE

Sec. 338.11 Use of tin in manufacture.

INVENTORIES

338.12 Limitations on inventories.

IMPORTS

338.13 Definitions.

338.14 Restrictions on imports in general.

338.15 Restrictions on financing of imports.

338.16 Exceptions.

338.17 How to apply for authorization to import tin.

338.18 Basis on which imports will be authorized.

338.19 Reports.

MISCELLANEOUS

338.20 Appeals.

338.21 Communications.

338.22 Violations.

338.23 Effective dates.

AUTHORITY: §§ 338.1 to 338.23 issued under Title II, 56 Stat. 177, as amended; 50 U. S. C. App. and Sup. 633; Parts II, III, E. O. 9841, Apr. 23, 1947, 12 F. R. 2645, 3 CFR, 1947 Supp.; Pub. Law 153, 81st Cong.

PURPOSE

§ 338.1 *What this subpart does.* This subpart explains the conditions under which pig tin may be delivered and accepted and provides for allocations of pig tin by the Office of Domestic Commerce from privately owned stocks as well as from stocks owned by the Reconstruction Finance Corporation. It also prescribes certain inventory limitations on pig tin, and explains the conditions under which pig tin may be imported into the United States.

DEFINITION OF PIG TIN

§ 338.2 *Pig tin.* "Pig tin" means metal containing 98% or more by weight of the element tin, in shapes current in the trade (including anodes, powder, small bars and ingots) produced from ores, residues or scrap.

RESTRICTIONS ON DELIVERIES AND ACCEPTANCE OF PIG TIN

§ 338.3 *Restriction on delivery and acceptance of pig tin.* No person shall deliver or accept delivery of pig tin without a specific authorization in writing by the Office of Domestic Commerce, except as set forth in §§ 338.5 and 338.6.

§ 338.4 *Specific directions as to purposes and end products.* In authorizing deliveries of pig tin ODC may specifically direct the purposes and end products for which it may be converted, processed or fabricated. Similar directions may be given in respect to pig tin for which an authorization to deliver or accept delivery is not required under this subpart.

§ 338.5 *Exception for deliveries on small orders.* Pig tin may be delivered, without specific authorization, by a distributor in quantities totalling less than 5 long tons per calendar month to any customer who (a) does not receive from all sources 5 long tons of pig tin in the month the distributor makes delivery, and (b) gives to the distributor at the time he places his purchase order a certificate in substantially the form below, signed by an official duly authorized for that purpose:

I certify, subject to the penalties of Title 18, U. S. Code (Crimes) section 1001, that I

will use this pig tin for -----
(specify and use) in accordance with Order M-43 or will resell it only in accordance with that order. I will not receive 5 long tons of pig tin from all sources in -----
(specify month of delivery) including the amount covered by this order.

By -----
(Name of purchaser)
(Duly authorized official)

§ 338.6 *Exception for deliveries to R. F. C.* Pig tin may be delivered without specific authorization to the Reconstruction Finance Corporation or its agent.

§ 338.7 *Basis for authorizations of deliveries of pig tin.* Deliveries of pig tin containing less than 99.65% of the element tin and deliveries of imports of pig tin, regardless of tin content, will be authorized without regard to the use to which it will be put or the quantity used in the past. Except in unusual circumstances, ODC will not authorize delivery from R. F. C. stocks of pig tin containing 99.65% or more of the element tin to any person for a calendar quarter which will bring his total usage of pig tin containing 99.65% or more of the element tin to an amount greater than 30% of the total quantity which he melted and put into process and sold during the calendar year 1948.

§ 338.8 *How authorizations are issued.* Authorizations to make delivery of pig tin will be made by ODC by letter to the supplier and authorizations to accept delivery will be made on Form GA 1249 by ODC to the party requesting the delivery of the pig tin.

§ 338.9 *How to apply for authorization to accept delivery.* Application to ODC for an authorization to accept delivery of pig tin in amounts of 5 long tons or more shall be made on Form ODC-412, by indicating in Section VI of that form the pounds of tin requested and the name of the proposed supplier, whether from private or R. F. C. stocks. Form ODC-412 shall be submitted not later than the 20th day of the month before the month in which delivery is requested.

REPORTS

§ 338.10 *Reports on Form ODC-412.* (a) Any person using 1,000 pounds or more of pig tin in a calendar month or (b) any person who on the first day of a calendar month has in his possession or under his control 2,000 pounds or more of pig tin, must report to ODC on Form ODC-412 on or before the 20th day of the month. Every distributor and importer of pig tin must report to ODC on Form ODC-412 on or before the 10th day of each month all his transactions during the previous month.

USE OF TIN IN MANUFACTURE

§ 338.11 *Use of tin in manufacture.* Pig tin, secondary tin, tin plate,terne plate, solder, babbitt, copper base alloys and other alloys containing tin, and any other materials containing tin may be used in the manufacture of any product.

INVENTORIES

§ 338.12 *Limitations on inventories.* No person who uses any material listed in

Column 1 below shall accept delivery of any of that material if his inventory of it is, or will by virtue of such acceptance become, more than the amount which he will be required by his current practices to put into use, during the next succeeding period of the length specified in Column 2 below, in order to carry out his current operations.

Column (1)	Column (2)
Material	Maximum days' supply
a. Pig tin-----	120 days (for manufacture of tin plate). 60 days (for any other use).
b. All other material containing tin.	90 days.

IMPORTS

§ 338.13 *Definitions.* For the purpose of §§ 338.13 through 338.19:

(a) "Tin subject to import control" means any tin in any raw, semi-finished, or scrap form, and any alloys, compounds, or other materials, containing tin (where tin is of chief value), in any raw, semi-finished, or scrap form. This includes, but is not limited to, the following:

Babbitt metal and solder-----	6506.100
Alloys and combinations of lead, not in chief value lead (including lead antimony and white metal)-----	6506.900
Tin bars, blocks, pigs, grain or granulated-----	6551.800
Tin metallic scrap (except alloyed scrap)-----	6551.500
Tin alloys, chief value tin n. s. p. f. (including alloy scrap)-----	6551.900
Tin foil less than 0.0006 inch thick-----	6790.710
Tin powder flitters and metallics-----	6790.720
Tin bichloride, tin tetrachloride and other chemical compounds, mixtures and salts, tin chief value (including tin oxide)-----	8380.920

NOTE: The numbers listed in the second column are commodity numbers taken from Schedule A. Statistical Classification of Imports into the United States, issued by the U. S. Department of Commerce (September 1, 1946, edition).

(b) "Import" means to transport in any manner into the continental United States from any foreign country or from any territory or possession of the United States. It includes shipments into a free port, free zone, or bonded custody of the United States Bureau of Customs (bonded warehouse) in the continental United States and shipments into the continental United States for processing or manufacture in bond for exportation. "Import" does not include shipments in transit in bond through the continental United States without processing or manufacture to Canada, Mexico or any other foreign country, or shipments through a free port or free zones to a foreign country without processing or manufacture. However, if any material in such shipments in transit in bond is, because of a change in plans, to be sold or used in the continental United States or subjected to processing or manufacture in the continental United States, it becomes an "import" for the purposes of this section and requires the same authorization as an "import" before it may be moved from a free port, free zone, or bonded custody.

§ 338.14 *Restrictions on imports in general.* Except as authorized in writing

by ODC no person shall purchase for import, import, offer to purchase for import, receive, or offer to receive on consignment for import, or make any contract or other arrangement for the importing of any tin subject to import control under this subpart. The foregoing restrictions shall apply to the importation of any tin subject to import control under this subpart regardless of the existence of any contract or other arrangement for the importation of such material.

§ 338.15 *Restrictions on financing of imports.* No bank or other person shall participate, by financing or otherwise, in any arrangement which such bank or person knows or has reason to know involves the importation of any tin subject to import control under this subpart, unless such bank or person either has received a copy of the authorization issued by the Office of Domestic Commerce under the provisions of this subpart or is satisfied from known facts that the proposed transaction comes within the exceptions set forth in § 338.16.

§ 338.16 *Exceptions.* Unless otherwise directed by the Office of Domestic Commerce, the restrictions on imports set forth in § 338.14 shall not apply:

(a) To the Reconstruction Finance Corporation, U. S. Commercial Company, or any other United States governmental department, agency, or corporation, or any agent acting for any such department, agency or corporation, or

(b) To any material of which any United States governmental department, agency, or corporation is the owner at the time of importation, or to any material which the owner at the time of importation had purchased or otherwise acquired from any United States governmental department, agency, or corporation; or

(c) To any material consigned or imported as a sample where the value of each consignment or shipment is less than \$25.00.

§ 338.17 *How to apply for authorization to import tin.* Any person desiring an authorization to import tin subject to import control shall file an application with the Nonferrous Metals and Minerals Division of the Office of Domestic Commerce, Department of Commerce, Washington 25, D. C., Ref.: M-43. Applications may be filed by the owner, purchaser, seller, or consignee of the material to be imported or by the agent of any of them and shall be made in triplicate on Form ODC-1041, giving description and quantity of the material, assay or assays, country of origin, the names of producer and seller, proposed disposition of the material and the approximate date of arrival of the material in the United States. Except in unusual circumstances applications will not be accepted for lots of less than five long tons.

§ 338.18 *Basis on which imports will be authorized.* Applications to import tin subject to import control will be authorized, provided the total amount applied for does not exceed the import quotas established by the ODC. Applications which would result in importa-

tions in excess of the quotas may be reduced or denied. Unless otherwise expressly permitted, authorizations shall apply only to the particular material and shipment mentioned therein and to the persons and their agents concerned with such shipment. Authorizations to import shall not be assignable or transferable either in whole or in part.

§ 338.19 *Reports*—(a) *Reports on customs entry*. No tin subject to import control under this subpart, including materials imported by or for the account of the Reconstruction Finance Corporation, U. S. Commercial Company, or any other United States governmental department, agency, or corporations, shall be entered through the United States Bureau of Customs unless the person making the entry shall file with it Form ODC-1040 in duplicate. The filing of such form a second time shall not be required upon any subsequent entry of such material through the United States Bureau of Customs; nor shall the filing of such form a second time be required upon the withdrawal of any material from bonded custody of the United States Bureau of Customs, regardless of the date when such material was first transported into the continental United States. Both copies of form ODC-1040 will be transmitted by the Collector of Customs to the Nonferrous Metals and Minerals Division, Office of Domestic Commerce, Department of Commerce, Washington 25, D. C., Ref.: M-43.

(b) *Other reports*. All persons having any interest in, or taking any action with respect to any tin subject to import control under this subpart, whether as owner, agent, consignee, or otherwise, shall file such other reports as may be required from time to time by the Office of Domestic Commerce, subject to approval of the Bureau of the Budget.

MISCELLANEOUS

§ 338.20 *Appeals*. Any appeal for relief or exemption from the provisions of this subpart shall be made in accordance with §§ 336.51 to 336.61 (Allocation Regulation 3), by filing a letter in triplicate with the Nonferrous Metals and Minerals Division, Office of Domestic Commerce, Department of Commerce, Washington 25, D. C., Ref.: M-43, referring to the particular provision appealed from and the precise relief desired and stating fully the grounds of the appeal and the reasons why a denial of the appeal would result in undue and excessive hardship on the appellant not suffered by others similarly situated or would result in improper discrimination.

§ 338.21 *Communications*. All communications, including reports, concerning this subpart should be addressed to the Nonferrous Metals and Minerals Division, Office of Domestic Commerce, Department of Commerce, Washington 25, D. C., Ref.: M-43.

§ 338.22 *Violations*. Any person who willfully violates any provision of this subpart, or who in connection with this subpart, willfully conceals a material fact or knowingly furnishes false information to any department or agency of the United States is guilty of a crime, and

upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under allocation control.

§ 338.23 *Effective dates*. All the provisions of this order become effective immediately, except the provisions in § 338.11 permitting tin plate andterne plate to be used in the manufacture of any product. Until December 1, 1949, the restrictions on tin plate andterne plate as contained in § 338.25 (e) (4) and (8) of Order M-43, as amended June 2, 1949, remain in effect.

Issued this 18th day of August 1949.

OFFICE OF DOMESTIC
COMMERCE,
RAYMOND S. HOOVER,
Issuance Officer.

[F. R. Doc. 49-6944; Filed, Aug. 25, 1949;
9:04 a. m.]

[Allocation Order M-81, as Amended June 2,
1949, Revocation]

PART 338—ALLOCATION ORDERS

SUBPART—CANS

Subpart—Cans, §§ 338.31 to 338.46 (Allocation Order M-81, as amended June 2, 1949) is hereby revoked, effective December 1, 1949.

This revocation does not affect any liabilities incurred for violation of this subpart, or actions taken by the Office of Domestic Commerce under this subpart.

(Title III, 56 Stat. 177, as amended; 50 U. S. C. App. and Sup., 633, Pub. Law 469, 80th Cong., Parts II, III, E. O. 9841, Apr. 23, 1947, 12 F. R. 2645, 3 CFR, 1947 Supp., E. O. 9942, Apr. 1, 1948, 13 F. R. 1823, 3 CFR, 1948 Supp.)

Issued this 18th day of August 1949.

OFFICE OF DOMESTIC
COMMERCE,
RAYMOND S. HOOVER,
Issuance Officer.

[F. R. Doc. 49-6943; Filed, Aug. 25, 1949;
9:04 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

QUANTITATIVE DECLARATION OF ALPHA-ESTRADIOL

Pursuant to section 3 of the Administrative Procedure Act (60 Stat. 237, 238; 5 U. S. C. 1002), the following statement of interpretation is issued:

§ 3.11 *Notice to manufacturers, packers, and distributors of estrogenic hormone preparations*. Some drug preparations fabricated wholly or in part from alpha-estradiol and labeled as to potency in terms of international units or in terms of international units of estrone activity have been marketed. The international unit of the estrus-produc-

ing hormone was established by the International Conference on the Standardization of Sex Hormones at London, England, on August 1, 1932. This unit was defined as "the specific estrus-producing activity contained in 0.1 gamma (=0.0001 mg.) of the standard" hydroxyketonic hormone found in urine (estrone). The International Conference declared that it did not recommend the determination of the activity of non-hydroxyketonic forms of estrogenic hormones in units of estrone because of the varying ratios between the activity of such non-hydroxyketonic estrogenic hormones and estrone, when measured by different methods on test animals.

There is no international unit for measuring the activity of alpha-estradiol and no accepted relationship between its activity and that of estrone, either in test animals or in humans. The declaration of potency of alpha-estradiol in terms of international units or in terms of international units of estrone activity is therefore considered misleading, within the meaning of 21 U. S. C. 352 (a).

The declaration of the alpha-estradiol content of an estrogenic hormone preparation in terms of weight is considered appropriate.

(Sec. 3, 60 Stat. 238; 5 U. S. C. 1002)

Dated: August 18, 1949.

[SEAL] OSCAR R. EWING,
Administrator.

[F. R. Doc. 49-6911; Filed, Aug. 25, 1949;
9:11 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter I—Home Loan Bank Board, Housing and Home Finance Agency

Subchapter B—Regulations for the Federal Home Loan Bank System

[No. 1971]

PART 122—ORGANIZATION OF THE BANKS

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

AUGUST 22, 1949.

Resolved that notice having been given pursuant to § 108.12 of the general regulations of the Home Loan Bank Board (24 CFR 108.12), Part 122 of the regulations for the Federal Home Loan Bank System (24 CFR Part 122) is hereby amended, effective August 26, 1949, by adding a new § 122.72 thereto (24 CFR 122.72) as follows:

§ 122.72 *Indemnification*. A Federal Home Loan Bank which has duly adopted a bylaw so providing shall indemnify or reimburse each present and future director, officer or employee of the bank (and his heirs, executors and administrators) against all reasonable expenses (subject to approval by the Home Loan Bank Board as to the reasonableness thereof), and against all liabilities to third persons, incurred by him in connection with or arising out of any action, suit or proceeding brought against him by reason of any act or omission in the performance of his official duties as such director, officer or employee of the bank

(whether or not he continues to be a director, officer or employee at the time of incurring such expenses or liabilities). Such expenses and liabilities shall include, but not be limited to, court costs and attorneys' fees, judgments, and the costs of reasonable settlements. The bank shall not, however, indemnify such director, officer or employee against either expenses or liabilities with respect to matters as to which he shall be finally adjudged in any such action, suit or proceeding to be liable for negligence or wilful misconduct in the performance of his official duties as such director, officer or employee, or shall be finally adjudged or shall agree by way of settlement to be liable to the bank for any reason. Indemnification in the event of a settlement or compromise shall be subject to prior approval by the Home Loan Bank Board and shall be had only where it is determined that such director, officer or employee is not liable for negligence or

wilful misconduct in the performance of his official duties with respect to the matters involved and that such settlement or compromise is in the best interest of the bank. The foregoing right of indemnification shall not be exclusive of other rights to which any director, officer or employee may be entitled as a matter of law.

Resolved further that there having been no protest or objection by interested organizations or persons to the foregoing amendment as proposed and published on July 22, 1949 (14 F. R. 4598) and there being a need for coordination of the effective date of said amendment with the approval by the Home Loan Bank Board of related bylaw amendments from Federal Home Loan Banks, it is hereby determined that there is good cause for dispensing with deferment of the effective date hereof.

(Sec. 17, 47 Stat. 736; 12 U. S. C. 1437; 61 Stat. 954, 5 U. S. C. 133y-16)

By the Home Loan Bank Board.

[SEAL]

J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 49-6920; Filed, Aug. 25, 1949;
9:10 a. m.]

TITLE 44—PUBLIC PROPERTY AND WORKS

Chapter VI—Public Buildings Admin- istration, Federal Works Adminis- tration

RENUMBERING AND REDESIGNATION OF CHAPTER

EDITORIAL NOTE: Chapter VI of Title 44 is renumbered Chapter VII, and is redesignated "Public Buildings Administration, General Services Administration." Part 601 and §§ 601.1-601.11 are renumbered as Part 701, §§ 701.1-701.11.

PROPOSED RULE MAKING

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

[8 CFR, Parts 370, 373]

PRELIMINARY NATURALIZATION INVESTIGA- TIONS AND PRELIMINARY NATURALIZATION HEARINGS

NOTICE OF PROPOSED RULE MAKING

JULY 8, 1949.

Pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003), notice is hereby given of the proposed issuance by the Commissioner of Immigration and Naturalization, with the approval of the Attorney General, of the following amendments of the rules relating to preliminary naturalization investigations and preliminary naturalization hearings. In accordance with subsection (b) of the said section 4, interested persons may submit to the Commissioner of Immigration and Naturalization, Room 2-1206, Temporary Federal Office Building X, 19th and East Capitol Streets, N. E., Washington 25, D. C., written data, views, or arguments relative to these proposed rules. Such representations may not be presented orally in any manner. All relevant material received within 20 days following the day of publication of this notice will be considered.

1. Section 370.8, Chapter I, Title 8 of the Code of the Federal Regulations is amended to read as follows:

§ 370.8 *Investigation preliminary to filing petition for naturalization; facts to be ascertained; manner of conducting and uniformity; limitation.* Wherever practicable, preliminary investigations of applicants for naturalization and their witnesses shall be made in person and under oath. Such preliminary investigations shall be based upon the Form N-400 submitted by the applicant. The

applicant shall be interrogated as to each assertion made on pages 1, 2, and 3 of Form N-400 and his or her answers compared with those appearing in the form. Where necessary, the written answers shall be corrected to conform to the oral statement under oath. The applicant and each witness shall be interviewed separately and apart from one another. The purpose of such interviews shall be to obtain accurate and material information bearing upon the applicant's admissibility to citizenship and the qualifications of the witnesses. Both the applicant and the witnesses shall be carefully interrogated to determine whether the applicant has complied with the jurisdictional requirements of law; is mentally and morally qualified for citizenship; is attached to the principles of the Constitution of the United States, and is well disposed to the good order and happiness of the United States. If the applicant has been arrested or charged with the violation of any law or ordinance, the facts shall be ascertained, including information as to whether conviction resulted and the nature and extent of any sentence which may have been imposed. Particular attention shall be given to ascertaining the applicant's complete marital history and the whereabouts of his or her spouse, if married, and minor children, if any. Questions to applicants and witnesses shall be repeated in different form and elaborated, if necessary, until the officer conducting the interview is satisfied that the person being interrogated fully understands them. At the conclusion of the interviews, all corrections made on the Form N-400 shall be consecutively numbered and recorded in the appropriate place in the applicant's affidavit contained in the form. The affidavit will then be subscribed and sworn to by the applicant and signed by the examining officer. The witnesses shall be questioned to develop not only their own credibility and competency but also

the extent of their personal knowledge of the applicant's residence, good moral character, attachment to the principles of the Constitution of the United States, and other qualifications for citizenship. Search shall be made of appropriate court and other records and other available sources of information in establishing the qualifications of the applicant and witnesses. The interview shall be limited to inquiry concerning the applicant's residence, moral character, understanding of and attachment to the fundamental principles of the Constitution of the United States, and his other qualifications to become a naturalized citizen, and shall be uniform throughout the United States.

2. Section 373.1, Chapter I, Title 8 of the Code of Federal Regulations is amended to read as follows:

§ 373.1 *Preliminary hearings, under section 333 of the Nationality Act of 1940—(a) By whom conducted.* Preliminary hearings conducted under section 333 of the Nationality Act of 1940 shall be open to the public. Wherever practicable, a member of the Service other than the person who conducted the preliminary investigation, shall serve as designated examiner. The designated examiner shall prescribe at the preliminary hearing and the petitioner and his witnesses shall be present. The petitioner and witnesses shall first be duly sworn. The designated examiner shall have before him at the preliminary hearing the record of the preliminary investigation in each case, including the sworn Form N-400. However, he shall not be limited to the information contained in such record, but may use any admissible material evidence or data received from any other source; and he may present and examine witnesses other than those produced by the petitioner. All evidence upon which the findings and recommendations to the court will be made, including evidence re-

lating to the competency and credibility of witnesses, shall be presented at the preliminary hearing.

(b) *Representation by counsel.* The petitioner shall be advised of his right to be represented by counsel at the proceedings. A continuance of the hearing shall be granted upon petitioner's motion for the purpose of obtaining counsel. If counsel be selected, it shall be ascertained by the designated examiner that such counsel has been admitted to practice before the Service in accordance with § 95.2 of this chapter or is exempted from such requirement under the terms of that section. If counsel is waived, the fact that the petitioner was advised of his right thereto and his waiver thereof shall be noted in the record. If the petitioner is represented by counsel, such counsel shall be permitted to be present at all times during the hearing and at any subsequent hearings after adjournment. The petitioner shall not thereafter be interrogated without the presence of counsel unless such appearance is waived. Counsel shall be permitted to offer evidence to meet any evidence presented or adduced by the Government and to cross-examine witnesses called by the Government. The designated examiner shall rule on all objections to the introduction of evidence. Evidence ruled by the designated examiner to be inadmissible shall nevertheless be received into the record, subject to the ruling of the court. Counsel shall be permitted to state his objections succinctly and they shall be entered on the record. Argument of counsel in support of his objections shall be excluded from the record. However, counsel may submit such argument in the form of a brief to accompany the record.

(c) *Where counsel is waived.* If representation by counsel is waived, a petitioner shall be permitted to offer evidence to meet any evidence presented or adduced by the Government, to cross-examine witnesses called by the Government, and to make objections which shall be introduced in the record, but if the hearing is formally recorded his arguments in support of the objections may be excluded from the record. In that event, however, the petitioner shall be permitted to submit arguments in writing to accompany the record.

(d) *Assignment of examining officer in addition to designated examiner; duties of officers.* The district director or officer in charge may in his discretion assign a second naturalization examiner to act at the hearing as "examining officer." The examining officer shall conduct the actual interrogation of the witnesses in behalf of the Government, and the cross-examination of the petitioner and the witnesses in his behalf, and present such evidence as may be pertinent to determine the admissibility of the petitioner to citizenship. The designated examiner shall exercise all functions not herein assigned to the examining officer and, in addition, may take such part in the interrogation of the petitioner and witnesses as he may deem necessary to assure that proper hearing is accorded the petitioner. The designated examiner shall rule on all objections to the introduction of evidence or

motions made during the course of the hearing.

(e) *Conduct of the hearing.* The designated examiner shall, prior to the beginning of the hearing, make known to the petitioner the official capacity in which he is conducting the hearing and shall identify as to official capacity any other representative of the Service taking part in the proceedings. In cases where no examining officer has been assigned pursuant to this section, the designated examiner shall interrogate any witnesses produced in behalf of the Government, present all evidence available in behalf of the Government, and examine and cross-examine the petitioner and witnesses produced in behalf of the petitioner. Where the petitioner is not represented by counsel, the designated examiner shall assist the petitioner in the introduction of all evidence available in his behalf. The designated examiner shall see that all documentary or written evidence is properly identified and introduced into the record as exhibits by number, unless read into the record. He shall further make sure that the record, if stenographically reported, is a verbatim record of everything that is stated in the course of the hearing, including the oaths administered to the petitioner and witnesses and the rulings on objections, except statements made off the record with the consent of the petitioner or his counsel and arguments in support of objections. Thereafter he shall certify that the transcribed minutes constitute a complete and accurate record of the hearing. At the time the designated examiner or officer conducts the preliminary hearing of each petitioner he shall enter on Form N-476 the petition number, petitioner's name, and, upon completion of the examination, fill in the symbols indicating his findings and a brief notation of the reasons for any unfavorable finding. This docket shall be signed by him and shall be made available to the court whenever desired, and after the final hearing shall be filed of record in the field office. After the conclusion of the preliminary hearing the witnesses may be excused from further appearance in each case where the recommendation to the court will be favorable. In any case where the recommendation is unfavorable, the designated examiner shall inform the petitioner of his right to appear before the court in person with his witnesses at the final hearing.

(f) *Hearings stenographically reported.* A stenographer shall be in attendance at the preliminary hearing in each case where, in the judgment of the designated examiner, the complexity of the issues and evidence justifies such attendance, in each case where an examining officer is assigned and in each case where the petitioner or counsel so requests. The stenographer shall record verbatim the entire proceedings, except statements made off the record with the consent of the petitioner or his counsel and arguments of the petitioner or his counsel in support of objections.

(g) *Preparation of recommendations and orders of court for presentation at final hearing.* Prior to a final hearing there shall be prepared in triplicate, for presentation to the court, lists on Forms

N-480 or N-481 for all petitions recommended to be granted, on Form N-483 for petitions recommended to be continued, and on Form N-484 for petitions recommended to be denied. These forms shall be signed by the officer in attendance at the final hearing and submitted to the judge of the court at or before the final hearing. After the final hearing has been held, an order of court shall be prepared in triplicate on Form N-482 for petitions recommended to be granted, on Form N-483 for petitions recommended to be continued, and on Form N-484-A for petitions recommended to be denied. The original order of court shall be presented for signature to the judge who presided at the final hearing. The originals of all of the forms named in this paragraph shall be filed permanently in the court, the duplicates forwarded by the clerk of court through the appropriate field office to the Central Office, and the triplicates filed in the field office.

(h) *Findings, conclusions, and recommendation; preparation by designated examiner.* At the conclusion of the hearing, the counsel for the petitioner and the examining officer, if one has been assigned, shall be offered an opportunity to submit briefs in support of arguments made at the hearing. A reasonable time for the preparation of such briefs shall be granted. In addition to meeting the requirements of paragraph (g) of this section, the designated examiner, in those cases in which the recommendation to the court is for denial of the petition, and in those cases in which it is necessary to present facts to the court in connection with petitions recommended for granting, shall prepare, as soon as practicable after the hearing has been concluded, a memorandum setting forth a summary of the evidence adduced at the hearing, his findings of fact and conclusions of law, and a recommendation as to the final disposition of the petition by the court. This memorandum shall be based upon the evidence adduced, and shall be prepared after consideration of any briefs submitted by counsel for the petitioner or by the examining officer.

(Secs. 37 (a), 327 (b), 54 Stat. 675, 1150; 8 U. S. C. 458 (a), 727 (b))

WATSON B. MILLER,
Commissioner.

Approved: August 19, 1949.

PEYTON FORD,
Acting Attorney General.

[F. R. Doc. 49-6901; Filed, Aug. 25, 1949;
8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Bureau of Animal Industry

[9 CFR, Part 151]

HORSES

RECOGNITION OF BREEDS AND PUREBRED ANIMALS

Notice is hereby given that the Secretary of Agriculture, pursuant to the authority vested in him by sec. 201, par. 1606 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1201, par. 1606; 62 Stat. 161), proposes to recognize the book of

record of Thoroughbred horses entitled "Stud Book Brasileiro," published by the Jockey Club Brasileiro, Av. Rio Branco, 197, Rio de Janeiro, Brazil (Ricardo Xavier da Silveira, Director), and to add the name of the stud book to the list of books of record named in 9 CFR 151.6 (a), under the sub-heading "Horses".

Any person who wishes to submit written data or arguments concerning the proposed amendment may do so by filing them with the Chief of the Bureau of Animal Industry, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C., within ten days after the date of publication of this notice in the FEDERAL REGISTER.

Issued this 23d day of August 1949.

[SEAL] A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 49-6902; Filed, Aug. 25, 1949;
8:46 a. m.]

Production and Marketing Administration

[7 CFR, Part 940]

PEACHES GROWN IN COUNTY OF MESA IN COLORADO

REGULATION OF HANDLING

Consideration is being given to the following proposals which were submitted by the Administrative Committee, established under the marketing agreement and Order No. 40 (7 CFR, Part 940) regulating the handling of peaches grown in the County of Mesa in the State of Colorado as the agency to administer the terms and provisions thereof:

(a) That the Secretary of Agriculture find that expenses not to exceed \$6,000 will be necessarily incurred by said Administrative Committee for its maintenance and functioning, during the fiscal year beginning May 1, 1949 and ending April 30, 1950, both dates inclusive, under the aforesaid marketing agreement and order; and

(b) That the Secretary of Agriculture fix the rate of assessment, which each handler shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said marketing agreement and order, at 8 mills (\$0.008) per bushel basket of peaches, or its equivalent of peaches in other containers or in bulk.

All persons who desire to submit written data, views, or arguments for consideration in connection with the aforesaid proposals may do so by submitting the same to the Director, Fruit and Vegetable Branch, Production and Marketing Administration, Washington 25, D. C., not later than the 10th day following publication of this notice in the FEDERAL REGISTER.

As used herein, "handler," "peaches," and "fiscal year" shall have the same meaning as is given to each such term in said marketing agreement and order.

(48 Stat. 31, as amended; 7 U. S. C., Sup. I 601 et seq.; 7 CFR, Part 940)

No. 165—5

Issued this 22d day of August 1949.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Branch, Production and Mar-
keting Administration.

[F. R. Doc. 49-6904; Filed, Aug. 25, 1949;
8:47 a. m.]

[7 CFR, Part 959]

[Docket No. AO 158 A-1]

HANDLING OF IRISH POTATOES GROWN IN THE COUNTIES OF CROOK, DESCHUTES, JEFFERSON, KLAMATH, AND LAKE IN OREGON, AND MODOC AND SISKIYOU IN CALIFORNIA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEP- TIONS WITH RESPECT TO PROPOSED AMENDMENTS TO MARKETING ORDER NO. 59 AND TENTATIVELY APPROVED MARKET- ING AGREEMENT

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR 900.1 et seq.; 13 F. R. 8585), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to proposed amendments to Marketing Order No. 59 and the tentatively approved marketing agreement regulating the handling of Irish potatoes grown in the counties of Crook, Deschutes, and Klamath in the State of Oregon, and Modoc and Siskiyou in the State of California, to be made effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707), hereinafter called the "act". Interested parties may file exceptions to this recommended decision with the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., not later than the close of business on the tenth day after publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The public hearing on the record of which the proposed amendments to Marketing Order No. 59 and the tentatively approved marketing agreement (hereafter called the "agreement and order") were formulated was held at Merrill, Oregon, on April 11-12, 1949, and at Redmond, Oregon, on April 14, 1949, pursuant to notice thereof which was published in the FEDERAL REGISTER (14 F. R. 1255). Such notice contained proposed amendments to the agreement and order, which were presented to the Secretary of Agriculture (hereinafter called the "Secretary") with a petition for a hearing thereon, by growers and shippers of Irish potatoes grown in the counties of Crook, Deschutes, and Klamath in the State of Oregon, and Modoc and Siskiyou in the State of California, as represented by the Administrative Committee established pursuant to Marketing Order No. 59. The pro-

posed amendments encompass a complete revision of the agreement and order and such amendments are, therefore, hereinafter referred to as the "amended agreement and order."

Material issues. The material issues presented on the record of hearing are as follows:

(1) The existence of the right to exercise Federal jurisdiction.

(2) The need for amending the existing regulatory program to accomplish the declared objectives of the act.

(3) The identity of the persons and transactions to be regulated.

(4) The definition of the commodity and determination of the smallest regional production area to be affected by the amended regulatory program.

(5) The specific terms and provisions of the proposed amendments to the agreement and order necessary and incidental to attain the declared objectives of the act, including among others, those applicable to:

(a) The establishment, maintenance, composition, powers, duties, and operation of an administrative agency;

(b) The method for limiting shipments of Irish potatoes grown in the production area;

(c) The establishment of minimum standards of quality and maturity;

(d) The method of determining the existence and extent of the surplus of Irish potatoes grown in the production area and for controlling and disposing of such surplus with the burden thereof equalized among the producers and handlers thereof;

(e) The handling under special regulations, under certain circumstances, and the procedure applicable thereto, of specified shipments of Irish potatoes grown in the production area;

(f) The relaxation of regulation in hardship cases and the procedure applicable thereto; and

(g) The requirement that all handling of Irish potatoes grown in the production area must be in accord with the provisions of the amended agreement and order, and that inspection and certification of shipments of such potatoes and the payment of assessments must be accomplished in connection therewith.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence introduced at the hearing and the record thereof, are as follows:

(a) It is necessary to define initially the terms used in a marketing agreement and order so that their applicability and meaning may be established to preclude the necessity of redefining them when they are later used in such agreement and order. The definitions of Secretary, Act, person, potatoes, producer, and fiscal year, as set forth in the notice of hearing, were not in controversy at the hearing and are substantially identical to definitions now contained in the agreement and order. These terms are generally understood by members of the potato industry in the production area and the continued use of such terms in the amended agreement and order is essential as the basic framework thereof.

Such terms should be defined, therefore, as hereinafter set forth.

(b) A definition of "production area" is incorporated in the amended agreement and order to specify and delineate the area in which potatoes must be grown before the handling thereof is subject to regulation under said agreement and order. The definition of the production area, defined in the agreement and order to include the counties of Crook, Deschutes, and Klamath in the State of Oregon, and Modoc and Siskiyou in the State of California, should be amended by adding thereto and including therein the adjacent counties of Jefferson and Lake in the State of Oregon.

Irish potato production has developed into commercial importance in Jefferson and Lake counties since Marketing Order No. 59 became effective and further expansion is expected in such counties as additional land is brought under irrigation. The growth of these counties into important commercial potato production areas has created difficult problems of enforcement and administration of the agreement and order. It is a common practice, for example, for potatoes grown in Jefferson County to be moved into Crook and Deschutes counties, and vice versa, for grading, loading, and shipment to market. This results in a situation where regulated potatoes and unregulated potatoes move through the same packing shed and may be included in the same shipment to market. Under prevailing market practices in the area it is a practical impossibility to maintain the separate identity of such potatoes. Moreover, potatoes grown in the presently defined production area and those grown in Jefferson and Lake counties are the same varieties and have the same general appearance and characteristics. It is not practical to identify and segregate such potatoes, for regulatory purposes, by chemical, organoleptic, or other available means. The possibilities for evasion and difficulties of enforcing regulations issued under the agreement and order are thus obvious. The inclusion of Jefferson and Lake counties within the production area will improve the enforcement and effectiveness of the regulatory program and tend to effectuate the declared policy of the act.

Production and marketing conditions and methods are essentially the same throughout the proposed production area. Potatoes grown therein go to the same markets and prices received by producers are influenced by the same supply and demand factors. Benefits under the program will accrue to producers in Jefferson and Lake counties on the same basis and to the same extent as to producers in the present production area. Exclusion of any portion of the counties of Modoc and Siskiyou in the State of California and Crook, Deschutes, Klamath, Jefferson, and Lake in the State of Oregon, from the proposed production area would make the administration of the amended agreement and order unreasonably difficult and impracticable and would tend to prevent effectuating the declared policy of the act. Therefore, the production area, hereinafter

set forth, constitutes the smallest practicable regional production area.

(c) A definition of "handler", which is synonymous with shipper, is incorporated in the amended agreement and order because the burden of regulation falls upon handlers. This term should have a broad and comprehensive meaning and should include all persons (except common or contract carriers) who are responsible in any way, as principals or agents, for shipping potatoes. Such exception should be limited to common or contract carriers because they are the sole agencies transporting potatoes for a monetary consideration without a proprietary interest therein and without authority to determine the grade, size, or quality of the potatoes so transported.

It is a common practice in marketing potatoes grown in the proposed production area for more than one person to participate in the handling functions incidental to introducing such potatoes into the normal channels of commerce. Each of such persons, except contract and common carriers, participate in such introduction. Therefore, each such person, except contract and common carriers, should be included within the definition of handler. The term includes, but is not limited to, the producer who ships potatoes of his own production; the packing house operator who prepares potatoes for market, loads them aboard cars or trucks, and sells them; the trucker who buys potatoes and moves them to market; and cash buyers who take title to potatoes and move them in the channels of commerce. Handler should be defined, therefore, as hereinafter set forth.

(d) A definition of "ship" and "handle" is incorporated in the amended agreement and order to indicate the particular phases of potato marketing and the specific activities of persons engaged in handling potatoes which are to be subject to regulation under the amended agreement and order.

The shipping or handling of potatoes in commerce begins with the movement of such potatoes from, or the grading of such potatoes in, the field where grown. Such shipment is ordinarily to a packing shed for grading, sorting, and packing, or to storage. In some cases, however, potatoes are shipped direct from the field where grown (with or without grading, sorting, and packing) to wholesale establishments for resale to retailers or to retail stores for resale to consumers. The operations of grading, sorting, and packing, or storing potatoes are but intermediate steps in the marketing of such potatoes. These operations, in some instances, are performed on the farm where the potatoes are grown. The act of moving potatoes from the field where grown and all subsequent operations and transactions performed with respect to such potatoes are included within the definition of ship and handle. Such subsequent operations and transactions include, but are not limited to, the washing, grading, and sizing of potatoes, the packing of potatoes in bags or other containers, the movement of potatoes from the end of a grader to a car or truck for loading, the transportation of such potatoes to market, and the sale or sales

of such potatoes made at the time of movement from the field or subsequent thereto. The definition includes any and all regrading, resorting, or repacking operations which may be performed with respect to such potatoes. Inclusion of the foregoing operations and transactions within the definition of ship and handle is necessary for effective administration of the amended agreement and order and to effectuate the declared policy of the act.

The movement of potatoes grown in the Oregon portion of the proposed production area to markets within the State of Oregon, and the movement of potatoes grown in the California portion of the proposed production area to markets within the State of California, respectively, directly, burden, obstruct, or affect interstate or foreign commerce in such potatoes. There is a nation-wide market for potatoes grown in the proposed production area and prices at markets, both within and outside of the States of Oregon and California, are closely related to each other and to f. o. b. shipping point prices in the proposed production area. Every movement of such potatoes, whether to a market within or outside of the States of Oregon or California, affects the price structure for potatoes grown in the proposed production area and for potatoes grown in competing States.

Shipments of potatoes originating in the Oregon portion of the proposed production area or in the California portion originally scheduled for sale and delivery in markets within the respective State may be diverted instead to out-of-state markets. Similarly, shipments from the Oregon portion or the California portion intended originally for out-of-state markets may be diverted to markets within Oregon or California, respectively. Therefore, all transactions in potatoes grown in the proposed production area are in interstate or foreign commerce, or directly burden, obstruct, or affect such commerce and should be subject to the terms and conditions of the amended agreement and order. (The term "in commerce," as used herein, includes all of the aforesaid transactions in potatoes grown in the proposed production area.)

Because the movement of potatoes to markets within the States of Oregon and California and to markets outside these two States are inextricably intermingled (and intermingled with potato shipments from other States to Oregon and California), it is impracticable to regulate effectively shipments of potatoes grown in the proposed production area without regulating all shipments of potatoes grown in the proposed production area. It is concluded, therefore, that all handling of potatoes grown in the proposed production area should be included within the definition of ship and handle.

(e) A definition of "committee" is incorporated in the amended agreement and order to identify the agency which acts as agent of the Secretary to administer the amended agreement and order. The title "Oregon-California Potato Committee" is sufficiently distinctive to prevent confusing this agency with other agencies administering marketing agreement and order programs. Such com-

mittee is authorized by the act and is necessary and incidental to the operation of the amended agreement and order. Committee should be defined, therefore, as hereinafter set forth.

(f) Definitions of varieties, seed potatoes, table stock potatoes, wholesale pack, and consumer pack are incorporated in the amended agreement and order because procedure permitting different regulations is authorized for each. The identity of seed potatoes is established by means of certification, tagging, or other indicative markings applied to such potatoes by qualified seed potato certifying agencies commonly recognized by growers, handlers, and others in the production area. Such qualified agencies should include the official seed certifying agencies of the States of Oregon and California, and such other valid seed certifying agencies which the Secretary may hereafter recognize, e. g., the Kern County (Calif.) Seed Potato Growers Association. Table stock potatoes includes all potatoes excepting seed because the sum total of seed and table stock potatoes will then equal "potatoes," as defined in the amended agreement and order. Consumer pack should be defined to include all packs of all sizes up to fifty pounds because packs of those sizes are purchased by consumers as entities, whereas wholesale packs should be defined to include all packs of fifty or more pounds because packs of such larger sizes are not usually purchased as entities by consumers.

Irish potato varieties should be defined as hereinafter set forth because the applicable characteristics now or hereafter recognized by the United States Department of Agriculture constitute a practical means of differentiating between such varieties which are recognized by all elements of the potato industry in the proposed production area.

(g) Definitions of "grade" and "size" are incorporated in the amended agreement and order so that all individuals affected thereby may determine the requirements thereof and readily interpret regulations issued thereunder.

Grade and size, the essential terms in which regulations are issued, should be defined as comprehending the equivalent of the meanings assigned these terms in any of the official standards for potatoes issued by the United States Department of Agriculture and official standards for potatoes issued by the State from which the potatoes are shipped. Such standards are generally accepted and recognized by the potato industry in the proposed production area. Official inspectors are qualified to certify as to the grade and size of potatoes grown in the proposed production area in terms of any one of such standards, modifications thereof, or variations based thereon, which may be incorporated in regulations issued under the amended agreement and order. Grade and size, therefore, should be defined as hereinafter set forth.

(h) A definition of "export" is incorporated in the amended agreement and order because different regulations may be issued thereunder for export and for domestic shipments of potatoes. Export should be defined to include all ship-

ments of potatoes beyond the boundaries of continental United States because such shipments will include all shipments of the class for which special regulation is justified in contradistinction to regulations for domestic shipments.

(i) A definition of "district" is incorporated in the amended agreement and order to delineate the geographical divisions of the proposed production area for the purpose of establishing, nominating, and selecting committee representatives. Each district so established constitutes a homogeneous unit of not less than two counties separated from the other districts within the proposed production area by either political boundaries or geographic barriers. The production and marketing problems within each such district are practically identical.

(j) A definition of "culls" is not incorporated in the amended agreement and order because such term is not used therein and because regulation is not contemplated thereby in terms of "culls".

(k) The amended agreement and order should provide for the selection by the Secretary of an administrative committee, called the Oregon-California Potato Committee, and should therein specify its powers and duties. A committee of ten members, composed of seven producers and three handlers, provides an adequate and equitable representation of producers and handlers by districts. An alternate with like qualifications should be selected for each member to provide continuity of committee operation in the event of a member's absence.

All producer and handler members of the committee should reside in the district they represent to provide a readily available avenue for producers and handlers to acquaint the committee with their production and marketing problems.

Provision should be made to continue in office four members of the committee and their respective alternates, official incumbents on the effective date of the amended agreement and order, from such effective date to and including the end of the then current fiscal year and until their successors are selected and have qualified. An additional producer member of the committee and his alternate, representing District No. 1, should be selected to serve until the end of the fiscal year in which the amended agreement and order becomes effective and until their successors are selected and have qualified. The five remaining committee members and alternates in office on the effective date of the amended agreement and order should serve until the end of the succeeding fiscal year after such effective date. The foregoing procedure is necessary to facilitate the establishment of staggered two-year terms of office which will result in more efficient administration of the amended agreement and order.

The Secretary should determine which of the members and their respective alternates shall initially serve the one- and two-year terms.

At the expiration of each fiscal year after the effective date of the amended agreement and order, five members of the committee and their respective alternates

should be selected to serve for two-year terms thereby providing assurance that, at all times, at least one-half of the committee will have had experience in administration of the amended agreement and order.

Any person selected as a member or alternate to fill an unexpired term of office should serve to the end of such term and until his successor has been selected and has qualified to provide continuity of committee operation.

Jefferson County, Oregon, should be made a part of District No. 1 and Lake County, Oregon, should be made a part of District No. 2 because such counties are, respectively, adjacent to such districts. Neither of these two counties logically belongs with any district other than the ones of which they have become a part because their growers and handlers have production and marketing problems substantially the same as growers and handlers in each of their respective districts. It is not desirable or feasible to set these two counties up as a separate district for they are not adjacent; they are separated by long distances, mountain barriers, and their growers and handlers have less in common than they do with growers and handlers in the districts of which they have become a part. The committee should be permitted to recommend and the Secretary to effect changes in districts and the representation therefrom in order to maintain committee representation on an equitable basis if substantial shifts in potato production and the addition of new potato acreage should take place with the development of more irrigation in the proposed production area.

Provision is made for the immediate addition of one producer member of the committee, with his alternate, to represent District No. 1. Such a provision is necessary so that District No. 1, as augmented by Jefferson County, will receive adequate committee representation. The Secretary should select committee members and their alternates. The committee representation should be allocated to districts as follows: three producer members, with their respective alternates, to represent District No. 1; two producer members, with their respective alternates, to represent each of the other two districts; and one handler member and alternate, to represent each district.

The provisions set forth in the notice of hearing and incorporated in the amended agreement and order with respect to the procedure for nomination of members and alternates, the selection of members and alternates in case of failure to nominate, the procedure that persons selected as members and alternates are to follow in qualifying for membership, and the procedure to be used in filling committee vacancies are substantially identical with comparable provisions contained in the agreement and order. Such provisions also are common to other marketing agreement and order programs and are essential to a business-like and effective administration of the amended agreement and order. The requirement that committee electees qualify in writing within 10 days is essential to preclude the occurrence of protracted delays in

procuring committee members and alternates.

The amended agreement and order provides that nomination meetings shall be held prior to May 1 of each year, whereas in the agreement and order the date is June 15 of each year. The earlier deadline for such meetings is desirable in order that the committee may submit the list of nominees to the Secretary in time for him to select the new committee members and alternates which are to take office at the beginning of the fiscal year, July 1, and for the selectees to qualify by that date. The amended agreement and order also provides that nominee lists be submitted to the Secretary by June 1. These time limitations are necessary to establish a more business-like procedure in nominating and selecting members and alternates of the committee.

A quorum of the committee should consist of seven members rather than a simple majority and, similarly, seven concurring votes should be necessary to pass any motion or approve any committee action, to insure that any committee action will reflect the views of the representatives of more than a bare majority of the producers and handlers in the proposed production area.

Provision is made for meetings of the committee by telephone, telegraph, or other means of communication to meet practical situations when rapid action is necessary. Any votes cast at such meetings should be promptly confirmed in writing to provide a written record of the action taken.

Committee members and alternates should be compensated at a daily rate not to exceed \$10.00 and should be reimbursed for expenses necessarily incurred when acting on committee business. Such members and alternates ordinarily would have a farm or packing house to operate and it would be necessary for them to hire replacements while attending committee meetings. Such compensation and reimbursement will, to some extent, compensate for losses sustained through committee service.

The powers of the committee, as set forth in the notice of hearing, should be granted to the committee because such powers are authorized by the act and are essential to the committee in order for it to discharge its responsibilities under the amended agreement and order. Each and all of the duties set forth in the notice of hearing should be given to the committee because such duties are necessary and essential to administer the amended agreement and order and to accomplish the declared policy of the act and for the committee to discharge its obligations to the Secretary. These duties and powers are substantially identical to the duties and powers given to the administrative committee under the agreement and order.

(1) The functioning of the committee and the administration of the amended agreement and order require funds for the payment of necessary expenses. It is necessary and appropriate that such expenses be incurred under direction of the committee and that assessments be levied against each handler who first

ships potatoes to meet his pro rata share of such expenses.

It is good business practice to require the committee to prepare and submit to the Secretary an annual budget of anticipated expenses and revenue, together with a recommended rate of assessment which the Secretary can consider and, if he approves, fix as the rate per given unit of shipment which first handlers must pay, to provide the necessary revenue to meet the aforesaid expenses. The Secretary should be authorized to increase the rate of assessment if he determines that the then current rate is insufficient to cover expenses. Such increased rate should apply on a retroactive basis to potatoes previously handled and subject to assessment during the current fiscal year to preclude inequities among handlers.

A maximum rate of assessment is established in the marketing agreement and order. A restrictive provision establishing a maximum rate of assessment could leave the committee without funds to complete a fiscal year's operation, thereby causing a breakdown in administration and enforcement of the program which would tend to defeat the declared policy of the act. It is impractical to determine at this time what expenditures will be necessary from year to year for effective administration and enforcement of the program and to establish a rate of assessment which will assure adequate funds for these purposes at all times. Operating experience under the present order is limited to one season, which provides only a limited basis for estimating future needs of the program and the adequacy of a particular rate of assessment in providing the required funds.

Revenue collected through assessments in excess of expenses for any fiscal year should, at the end of such fiscal year, be credited pro rata to each contributing handler's account, or refunded to any such handler upon demand. If, upon termination of the amended agreement and order and after reasonable effort, the committee is unable to return excess funds that may be due a handler or handlers, such excess funds should, with the approval of the Secretary, be turned over to an appropriate agency serving the potato industry in the proposed production area. Experience in operating other marketing agreement and order programs indicates that the total amount of such excess funds and the amounts due individual handlers therefrom are relatively small, and that it is impossible by reasonable effort to locate certain handlers to whom refunds are due because they either do not have an established place of business or because they have moved out of the area without leaving a forwarding address.

Funds received by the committee should be used for any of the purposes for which they are collected. The committee should be permitted to make such expenditures as are authorized and necessary to effectively administer the amended agreement and order within the budget submitted by the committee and approved by the Secretary. The committee with the approval of the Secretary, should be permitted to maintain

suits to collect unpaid assessment funds to preclude the imposition of undue financial burdens on any group of handlers.

Any committee member or alternate responsible for or having in his custody any of the property, funds, records, or any other possessions of the committee should be required to transfer it to his successor, or to such person as may be designated by the Secretary, or to execute such assignment instruments as may be necessary to effect such transfer. Such members and alternates should be required to give an accounting of committee receipts and disbursements and of committee property whenever they cease to be such members and alternates. These requirements with respect to transfer and accounting represent good business practice and are necessary in order that there will be an unbroken succession in such possessions of the committee. The committee and its members should account to the Secretary upon request for all receipts and disbursements to keep the Secretary currently advised relevant to administration of the amended agreement and order.

(m) The declared policy of the act is to establish and maintain such orderly marketing conditions for potatoes, among other commodities, as will tend to establish parity prices for such potatoes. The regulation of shipments of potatoes by grade and size authorized in the amended agreement and order provides a means of carrying out such policy.

The limitation of shipments of the poorer grades and less desirable sizes of potatoes grown in the proposed production area will tend to increase the prices of the better grades and more desirable sizes and to increase the returns therefrom to producers. Such limitation of shipments will also tend to improve the long-run demand for and competitive position of potatoes grown in the proposed production area. For example, Idaho potatoes, during some seasons in the Portland market, outsell potatoes grown in the proposed production area when Idaho potatoes are better graded and sized than those from the proposed production area. By restricting the shipment of inferior potatoes, the potato industry in the proposed production area can improve its pack and thus compete successfully with Idaho on a price and volume basis in the Portland market.

The interest of consumers will best be served under conditions of a larger-than-average crop if poor grades and small sizes are prohibited from shipment because such grades and sizes have less edible product per pound than the better grade and average or large size potatoes, and because the cost of distribution of these poor grades and small sizes is proportionately higher with respect to edible product than for the better grade, larger size commodity.

Authority should be and is provided in the amended agreement and order to establish grade and size regulations with respect to shipments of potatoes from the proposed production area during the entire shipping season and from all por-

tions of the production area. Such authority, however, should permit the committee to recommend and the Secretary to establish different regulations applying to: (1) Different time periods within the shipping season; (2) different varieties; (3) table stock and seed potatoes; (4) wholesale and consumer packs; (5) different portions of the proposed production area; and (6) any combination of the above. Such administrative flexibility is needed in the amended agreement and order to effectuate the declared policy of the act through the issuance of appropriate regulations which are adapted to different and changing circumstances encountered in the marketing of potatoes. It may be desirable, for example, to have different grade and size regulation in effect during the latter part of the shipping season from regulation in effect earlier in the season because of a changed demand and supply condition for potatoes; different regulations applicable to different varieties of potatoes because varieties differ in particular characteristics, and some varieties are more susceptible than others to diseases and other factors that influence market quality; different regulations applicable to table stock and seed potatoes because preferred grades and sizes constitute a premium seed pack which frequently, if not usually, differs from the preferred grades and sizes of table stock potatoes (small potatoes, for example, bring a premium as certified seed, whereas such potatoes are discounted in the table stock market); and different regulations applicable to consumer and to wholesale packs.

Consumer packs of potatoes require different size composition, because of total pack weight limitations and satisfaction of consumer demands, than wholesale packs. Authority should be provided, therefore, to establish regulations limiting the minimum and maximum sizes of potatoes that may be shipped differently to consumer packs than to wholesale packs. Consumer acceptance of potatoes is more adversely affected by inferior grades and undesirable sizes in consumer packs than in wholesale packs. In the case of consumer packs, the consumer accepts the package "sight unseen" and does not have an opportunity of making a selection of individual potatoes. Potatoes in wholesale packs, on the other hand, are usually dumped into a bin from which the consumer can make the desired selection. Consumers demand a better and more uniform grade and size of potatoes in consumer packs than in wholesale packs and failure to maintain such grade and size in consumer packs will disproportionately decrease the total returns of potato growers in the proposed production area. Consumer packs are increasing in importance in the proposed production area. The potato industry therein desires to establish a reputation for quality in such packs in order to improve returns to producers on a long-time basis. Such distinction in regulations will enable the committee to improve returns to producers by limiting the grade, size, and quality of potatoes shipped in consumer packages.

Authority to issue different regulations for different portions of the proposed production area is necessary because a particular portion or portions of such area may have adverse growing conditions which cause an abnormally high percentage of the potatoes grown therein to fall within restricted grades or sizes. Such authority will greatly simplify the administrative problems of meeting a situation of this kind and preclude the imposition of undue regulatory burdens on any growers in the proposed production area.

The committee should be authorized to recommend and the Secretary to establish such minimum standards of quality and maturity and such grading and inspection requirements during any and all periods of marketing, and even when potato prices are above parity, as will be in the public interest. Some potatoes are of such defective quality that they do not give consumer satisfaction at any time because of the great waste and time involved in their preparation; the cost of such potatoes to the consumer per edible unit is frequently greater than the cost per edible unit of potatoes of the better grades and more desirable sizes. The shipment of immature potatoes causes an adverse consumer reaction to potatoes from the proposed production area and tends to demoralize the market for later shipments of mature potatoes. Immature potatoes deteriorate rapidly in transit and develop a rubbery texture which makes them undesirable for cooking purposes.

In order to provide producers and handlers with advance information regarding possible regulations for the ensuing season, it is provided that the committee shall prepare and submit to the Secretary a report of its proposed policy or amendments thereto for the marketing of potatoes each fiscal year. It is further provided that the contents of such reports be made available to producers and handlers in the proposed production area.

In making recommendations for regulations, it is provided that the committee shall investigate enumerated relevant factors of supply and demand for potatoes. This requirement is necessary so that the committee will be in the best position to develop sound and practical recommendations for regulations and to advise the Secretary with respect to such supply and demand conditions. The committee should be well qualified to determine marketing conditions for potatoes produced in the proposed production area and to recommend specific regulations which will tend to effectuate the declared policy of the act.

Regulations issued under the agreement and order should continue in effect, until changed, terminated, or suspended pursuant to the amended agreement and order, except for regulations specifically terminated by the amended agreement and order, because they will tend to effectuate the declared policy of the act by facilitating the operation of the amended agreement and order.

The committee, with the approval of the Secretary, should be authorized to establish minimum quantities below which shipments will not be regulated, because the administrative difficulties of

regulating small shipments precludes such regulation tending to effectuate the declared policy of the act.

The availability of the foregoing methods of regulating the handling of potatoes grown in the proposed production area makes the "cull" provisions of the agreement and order superfluous to the regulatory processes to be established in and exercised under the amended agreement and order. Therefore, such cull provisions are not necessary to effectuate the declared policy of the act in the amended agreement and order. The fixed "General Cull Regulation" is unnecessary in the amended agreement and order because the committee is authorized to recommend, and the Secretary to effect, any grade, size, or quality regulation deemed appropriate and necessary under the act. Such regulations may include the substance or essence of the "General Cull Regulation" in the agreement and order, but the administrative technique for putting such regulations into effect will be slightly different under the amended agreement and order.

(n) Provision is made in the amended agreement and order for inspection by the Federal-State Inspection Service of all shipments of potatoes grown in the proposed production area. Inspection certificates issued by this service are a common and usual means of specifying the grade and size of potatoes being shipped and are generally used and recognized in the proposed production area. Such certificates are a necessary adjunct of regulation because they constitute prima facie evidence of the grade and size of the commodity to which they apply and are so accepted in the courts as such evidence. Such evidence is necessary to provide the handler, the committee, or any other interested party with the means of determining whether a shipment, or shipments, of potatoes conforms to or qualified under particular regulations which may be in effect. The Federal-State Inspection Service can provide reasonably prompt inspection at all points within the proposed production area at a reasonable cost. A provision in the amended agreement and order to permit inspection of potatoes by an agency other than the Federal-State Inspection Service, when approved by the Secretary, is necessary to assure sufficient flexibility for successful operation in the event the Federal-State Inspection Service ever becomes unable to perform its duties.

The first handler should be required, whenever the handling of potatoes is being regulated, to have all such potatoes inspected and to be responsible for furnishing the committee a copy of an inspection certificate on each of such shipments. In cases where potatoes shipped by a handler have been previously inspected, each handler subsequent to the handler procuring such inspection should not be required to go to the expense of procuring another inspection but such subsequent handlers should be required to make sure that such prior inspection was made; subsequent handlers should be required to procure inspections on shipments not previously inspected and supply the committee with a copy

thereof. In instances where previously inspected potatoes are regraded, resorted, or in any other way subjected to further preparation for market, the first handler shipping such potatoes after such additional preparation should be required to have such potatoes inspected and should be responsible for furnishing the committee with a copy of the inspection certificate. Such requirements are necessary for proper administration and enforcement of the amended agreement and order.

(o) Certain hazards are encountered in the production and storage of potatoes grown in the proposed production area which are beyond the control or reasonable expectation of the potato grower or of the handler who stores potatoes. Because such circumstances may arise and to provide equity among producers and handlers insofar as any regulations issued under the amended agreement and order is concerned, the committee should be given authority to issue exemption certificates to applicant producers and handlers to permit such applicants to ship their equitable proportion of all shipments from the proposed production area.

The committee, by reason of its knowledge of the conditions and problems applicable to the production and storage of potatoes in the proposed production area and because of the information which it will have available in each case, will be well qualified to judge each applicant's case in a fair and equitable manner and to fix the quantity of exempted potatoes which each such applicant may ship. Provision should be made, however, for the applicant to appeal the initial determination of the committee to the committee and, if the appeal determination of the committee is unsatisfactory to the applicant, to the Secretary.

Provision should be made for the Secretary to modify, change, alter, or rescind the procedure established by the committee for granting of exemptions and any exemptions granted under the amended agreement and order. This is desirable to guard against inequities in the granting of exemptions and to preclude the issuance of exemption certificates in unjustifiable cases.

The committee should be required to maintain records and to make detailed reports to the Secretary with respect to exemption certificates as a matter of good business procedure.

(p) A material issue at the hearing was whether the committee should be authorized to recommend, and the Secretary to issue, regulations with respect to the control of surplus. The potato industry in the proposed production area is not prepared at this time to develop the basis for such surplus regulation or to provide a plan for equalizing the burden of any such surplus regulation among producers and handlers. Therefore, the section on surplus regulation set forth in the notice of hearing is not included in the amended marketing agreement and order.

(q) The Secretary, upon the basis of recommendations of the committee, or other available information, should be authorized to modify, suspend, or terminate grade and size regulations with

respect to shipments of potatoes for purposes outside of normal commercial markets for table stock potatoes. The committee should be well qualified, because of the experience and knowledge of individual members, to recommend such modifications, suspensions, or terminations of grade and size regulations as will be in the best interests of the potato industry in the proposed production area and which will tend to effectuate the declared policy of the act. Shipments of potatoes to non-competitive outlets, hereinafter set forth, which otherwise could not be marketed under the regulations, would tend to increase the average price received by farmers in the proposed production area.

Most potatoes grown in the proposed production area are stored and move from the field to storage in a field run condition. Such potatoes are later graded at the storage house or are moved from the storage house to a packing shed for grading. It is impractical to require that such potatoes, which are to be later graded and sorted, meet grade and size regulations for the purposes of such movement. To require such movement of potatoes to be in compliance with grade and size regulations would impose an unreasonable hardship on producers in the proposed production area and disrupt normal harvesting and marketing procedures. Such special treatment, however, should be limited to movements within the proposed production area. Facilities within the proposed production area for storing and grading potatoes are ample and there is no occasion to provide special regulations applicable to shipments to points outside such area for these purposes. If such shipments were permitted to move unregulated or subject only to modified regulation to outside points, the way would be opened for wholesale evasion of grade and size regulations. The committee, therefore, should be authorized to recommend, and the Secretary to effect, regulations, or exemption from regulations, or to modify or to terminate regulations with respect to movement or transportation of potatoes within the production area for grading or storing.

Whenever movement within the proposed production area for grading or storing is exempt from regulation or subject to modified regulation, the committee should be authorized to recommend and the Secretary to establish safeguards to provide assurance that grading and sorting operations are actually carried out in connection therewith. Shipments of potatoes from the field or from storage which do not require or receive further preparation for market are not considered as a movement for grading or storing purposes and such shipments should comply with any and all regulations issued pursuant to the amended agreement and order.

Export requirements for potatoes differ materially, on occasions, from domestic market requirements. The Canadian and Pacific off-shore markets offer price premiums for certain grades and sizes of potatoes which usually sell at a discount in the domestic market. Such shipments to export tend to increase returns to producers and results in added

increments to the value of the crop in the proposed production area, thereby tending to effectuate the declared policy of the act. For these reasons, the committee is authorized to recommend, and the Secretary to establish, modified, suspended, or terminated regulations applicable to shipments of such potatoes to export.

Shipments of potatoes for distribution by relief agencies or for consumption by charitable institutions should be in the same category as export shipments. The volume of shipments for such purposes from the proposed production area is relatively insignificant and, because of the transportation charges involved, any saving that might accrue to such agencies or institutions from utilizing low grade potatoes would not be commensurate with the difference in quality. If, however, a relaxation of regulations is needed to supply these outlets with good edible potatoes at reasonable prices, the committee should be authorized to recommend and the Secretary to issue such modification, suspension, or termination of regulations as may be needed to accomplish this objective and as will tend to effectuate the declared policy of the act.

Substantial shipments of potatoes to the Federal Government have been made in recent years in carrying out the obligations of agricultural price support legislation. It is necessary, therefore, to authorize special regulations, or modification or termination thereof, as may be required to facilitate such shipments, which will tend to effectuate the declared policy of the act. Modification, suspension, or termination of regulations also should be authorized with respect to shipments of potatoes from the proposed production area to the Army and Navy. Purchases by such agencies are based on bids and specifications, which may include grade and size, that they establish. If the committee did not have authority to recommend and the Secretary to issue changes in the regulations with respect to such shipments, handlers in the proposed production area might be unable to make competitive bids on Army and Navy purchases and thereby might lose this business.

The committee should be authorized to recommend that potatoes shipped for manufacture or for conversion into specified products or by-products should not be regulated or that regulation should be modified or suspended. Shipments of potatoes for manufacturing or conversion into specified products or by-products reduce the supply of such potatoes available for shipment to the table stock market and, therefore, such shipments tend to raise prices to producers and increase the value of the crop. The committee, in fulfilling its duties and responsibilities, is obligated to determine the demand and supply for potatoes which includes investigations relating to each outlet for such potatoes. The committee, therefore, is given authority to recommend which shipments should be classed hereunder because such potatoes are shipped for the purpose of changing them into various end-products, some of which compete on a basis virtually equal to table stock potatoes. It is not

possible to specify at this time all of the manufactured products or by-products for which shipments of potatoes are made, the shipments of which compete on a basis virtually equal to such table stock potatoes, because new developments may bring forth new products or by-products which would fall within the aforesaid competitive category. The amended agreement and order should provide sufficient flexibility of administration so that the committee and the Secretary can exercise judgment, in accordance with the above, in making appropriate recommendations and in issuing regulations that will tend to effectuate the declared policy of the act in this connection.

The committee should be authorized to recommend that shipments of potatoes for livestock feed, or for other specified purposes, should not be regulated, or to recommend modification or suspension of regulations governing such shipments. Livestock feed provides an outlet for shipments of potatoes which do not ordinarily compete with shipments of table stock potatoes. When such outlets are available, it will tend to promote objectives sought under regulation to exempt shipments for this purpose from grade and size regulations. The committee should be authorized to recommend that shipments of potatoes for a particular purpose or type of utilization should not be regulated, or to recommend modification or suspension of regulations governing such shipments, when it is found that such shipments are not competitive with table stock shipments in commerce. The Secretary, on the basis of such recommendations, or other available information, should be authorized to issue the indicated regulation, modification, or suspension where such action will tend to effectuate the declared policy of the act.

It is necessary for effective administration of the amended agreement and order that the committee, with approval of the Secretary, be authorized to establish adequate safeguards to prevent any potatoes, including seed potatoes, which may be subject to special regulation, from entering the current of commerce contrary to the provisions of such special regulation. Such safeguards, among others, may include inspection to provide the committee with an accurate record of shipments of potatoes which are subject to special regulation and for determining the quality and size of potatoes shipped for specified purposes. Shipments of potatoes which are not subject to grade and size regulation or which are subject to modified regulation may be required to bear their equitable share of the expense of operating the amended agreement and order.

In order to maintain appropriate identification of shipments of potatoes which are not subject to regulation or are subject to modified regulation, the committee should be authorized to issue Certificates of Privilege to the handlers thereof and require that such handlers obtain such certificates on all such shipments. The committee should also be given authority to prescribe rules, with approval of the Secretary, for the issuance of such certificates, and to deny or

revoke Certificates of Privilege when such action is deemed necessary to prevent evasion of regulations issued under the amended agreement and order.

The Secretary should have the right to modify, change, alter, or rescind any safeguards prescribed or any Certificates of Privilege issued by the committee, and he should give prompt notice to the committee of any action taken by him in connection therewith, in order that the Secretary can retain all rights necessary to carry out the declared policy of the act and in order that the committee may currently notify all persons affected by the indicated action.

The committee should maintain detailed records relevant to Certificates of Privilege and should submit a weekly report thereon to the Secretary to supply the Secretary with pertinent information requisite for him to discharge his duties under the act and the amended agreement and order.

(r) For proper and efficient administration of the amended agreement and order, the committee needs information on potatoes with respect to supplies, movement, prices, and sundry other relevant factors which are best obtainable from handlers. The committee should be authorized to request, with approval of the Secretary, and every handler should be required to furnish to the committee, any information which is needed by the committee to exercise its powers and perform its duties under the amended agreement and order. The Secretary should retain the right to modify, change, or rescind any request by the committee for information in order to protect handlers from unreasonable requests for reports.

(s) The provisions of §§ 959.8 through 959.20, as published in the FEDERAL REGISTER of March 19, 1949 (14 F. R. 1259-1260), are common to marketing agreements and orders now operating. These provisions are incidental to, and not inconsistent with, section 8c (6) and (7) of the act, and are necessary to effectuate the other provisions of the amended agreement and order, and to effectuate the declared policy of the act. Therefore, such provisions should be included in the amended agreement and order exactly as set forth in the notice of hearing, except for renumbering sections required by the elimination of provisions applicable to surplus regulation.

(t) The base period for potatoes, as stated in the Agricultural Marketing Agreement Act of 1937, as amended, is the period August 1919-July 1929. The seasonal average farm price for potatoes grown in the proposed production area for the base period is \$0.93 per bushel. For the nineteen seasons, 1929-47, inclusive, seasonal average farm prices for potatoes have been below parity for eleven seasons and above parity in only eight, five of which were during or immediately following the late war. Based on the level of United States current production, the prospective acreage of potatoes in the proposed production area and in competing areas, the reduction in support prices for the 1949 crop of potatoes, and on the relationship between farm prices and parity prices for potatoes

which exists in the majority of seasons, it can be reasonably anticipated that prices received by farmers for potatoes will be below parity for the 1949 season.

Rulings on proposed findings and conclusions. Interested parties were allowed until May 10, 1949, by the presiding officer at the hearing on the proposed amendments to Marketing Order No. 59 and the tentatively approved marketing agreement to file briefs on findings of fact and conclusions based on evidence introduced at the hearing. No briefs were filed, hence no rulings are necessary.

Recommended marketing agreement and amended marketing order. The following proposed marketing agreement and marketing order are recommended as the detailed means by which the aforesaid conclusions may be carried out.

§ 959.1 *Definitions.* As used in this part, the following terms have the following meanings:

(a) "Secretary" means the Secretary of Agriculture of the United States, or any other officer, or member of the United States Department of Agriculture, who is, or may hereafter be authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

(b) "Act" means Public Act No. 10, 73d Congress, as amended and reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707).

(c) "Person" means an individual, partnership, corporation, association, or any organized group or business unit.

(d) "Production area" means and includes the counties of Crook, Deschutes, Jefferson, Klamath, and Lake in the State of Oregon, and Modoc and Siskiyou in the State of California.

(e) "Potatoes" means all varieties of Irish potatoes grown within the aforesaid production area.

(f) "Handler" is synonymous with shipper and means any person (except a common or contract carrier of potatoes owned by another person) who ships potatoes.

(g) "Ship" or "handle" means to transport, sell, or any other way to ship or place potatoes in the current of commerce within the State of production, or between the State of production and any point outside thereof.

(h) "Producer" means any person engaged in the production of potatoes for market.

(i) "Fiscal year" means the period beginning on July 1 of each year and ending June 30 of the following year.

(j) "Committee" means the administrative committee, called the Oregon-California Potato Committee, established pursuant to § 959.2.

(k) "Varieties" means and includes all classifications or subdivisions of Irish potatoes according to those definitive characteristics now or hereafter recognized by the United States Department of Agriculture.

(l) "Seed potatoes" means and includes all potatoes officially certified and tagged, marked or otherwise appropriately identified, under the supervision of the official seed potato certifying agency

of the State from which the potatoes are shipped, or other seed certification agencies which the Secretary may recognize.

(m) "Table stock potatoes" means and includes all potatoes, not included within the definition of "seed potatoes."

(n) "Wholesale pack" means a unit of fifty pounds net weight or more of potatoes contained in a bag, crate, or any other type of container.

(o) "Consumer pack" means a unit of less than fifty pounds net weight of potatoes contained in a bag, crate, or any other type of container.

(p) "Grade" means any one of the officially established grades of potatoes, and "size" means any one of the officially established sizes of potatoes, as defined and set forth in:

(1) The United States Standards for Potatoes issued by the United States Department of Agriculture (14 F. R. 1955, 2161), or amendments thereto, or modifications thereof, or variations based thereon;

(2) United States Consumer Standards for Potatoes as issued by the United States Department of Agriculture (12 F. R. 7281), or amendments thereto, or modifications thereof, or variations based thereon; and

(3) Standards for potatoes issued by the state from which the potatoes are shipped, or amendments thereto, or modifications thereof, or variations based thereon.

(q) "Export" means shipment of potatoes beyond the boundaries of continental United States.

(r) "District" means each one of the geographical divisions of the production area established pursuant to § 959.2 (h).

§ 959.2 Administrative committee—

(a) *Establishment and membership.*

(1) The Oregon-California Potato Committee consisting of ten members, of whom seven shall be producers and three shall be handlers, is hereby established. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(2) An alternate member of the committee shall act in the place and stead of the member for whom he is an alternate, during such member's absence. In the event of the death, removal, resignation, or disqualification of a member his alternate shall act for him until a successor for such member is selected and has qualified.

(b) *Procedure.* (1) Seven members of the committee shall be necessary to constitute a quorum and seven concurring votes will be required to pass any motion or approve any committee action.

(2) The committee may provide for meeting by telephone, telegraph, or other means of communication and any vote cast at such a meeting shall be confirmed promptly in writing; *Provided*, That if any assembled meeting is held, all votes shall be cast in person.

(c) *Selection.* (1) Persons selected as committee members or alternates to represent producers or handlers shall be producers or handlers, respectively, or officers or employees of a corporate producer or handler, respectively, in the dis-

trict for which selected and residents of such district.

(2) The Secretary shall select three producer members of the committee, with their respective alternates, from District No. 1 and two producer members, with their respective alternates, from each of the other districts designated in paragraph (h) of this section, which members and alternates shall represent the respective district from which they are selected. The Secretary shall also select one handler member of the committee, with his respective alternate, from each of such districts.

(3) Any person selected by the Secretary as a committee member or as an alternate shall qualify by filing a written acceptance with the Secretary within ten days after being notified of such selection.

(d) *Term of office.* (1) The term of office of committee members and alternates shall be for two years beginning on the first day of July and continuing until the end of the succeeding fiscal year, and until their successors are selected and have qualified: *Provided*, however, That after the effective date of this amendment, an additional producer member of the committee and his alternate, representing District No. 1, shall be nominated and selected to serve until the end of the then current fiscal year, and until their successors are selected and have qualified: *Provided further*, That the term of office of four members of the committee and their respective alternates, incumbents on the effective date hereof, shall terminate at the end of the then current fiscal year, and that the term of office of five members of the committee and their respective alternates, incumbents on the effective date hereof, shall terminate at the end of the succeeding fiscal year following the effective date hereof.

(2) Committee members and alternates shall serve during the term of office for which they are selected and have qualified, or during that portion thereof beginning on the date on which they qualify during the current term of office and continuing until the end thereof, and until their successors are selected and have qualified.

(e) *Powers.* The committee shall have the following powers:

(1) To administer the provisions hereof in accordance with its terms;

(2) To make rules and regulations to effectuate the terms and provisions hereof;

(3) To receive, investigate, and report to the Secretary complaints of violation of the provisions hereof; and

(4) To recommend to the Secretary amendments hereto.

(f) *Duties.* It shall be the duty of the committee:

(1) At the beginning of each fiscal year, to meet and organize, to select a chairman and such other officers as may be necessary, to select subcommittees of committee members, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(2) To act as intermediary between the Secretary and any producer or handler;

(3) To furnish to the Secretary such available information as he may request;

(4) To appoint such employees, agents, and representatives as it may deem necessary and to determine the salaries and define the duties of each such person;

(5) To investigate, from time to time, and to assemble data on the growing, harvesting, shipping, and marketing conditions with respect to potatoes, and to engage in such research and service activities which relate to the handling or marketing of potatoes as may be approved by the Secretary;

(6) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee and such minutes, books, and records shall be subject to examination at any time by the Secretary or his authorized agent or representative;

(7) To make available to producers and handlers the committee voting record on recommended regulations and on other matters of policy;

(8) At the beginning of each fiscal year, to submit to the Secretary a budget of its expenses for such fiscal year, together with a report thereon;

(9) To cause the books of the committee to be audited by a competent accountant at least once each fiscal year, and at such other time as the committee may deem necessary or as the Secretary may request. The report of such audit shall show the receipt and expenditure of funds collected pursuant hereto; a copy of each such report shall be furnished to the Secretary and a copy of each such report shall be made available at the principal office of the committee for inspection by producers and handlers; and

(10) To consult, cooperate and exchange information with other potato marketing committees and other individuals or agencies in connection with all proper committee activities and objectives hereunder.

(g) *Expenses and compensation.* Committee members and their respective alternates when acting on committee business, shall be reimbursed for expenses necessarily incurred by them in the performance of their duties and in the exercise of their powers hereunder, and shall receive compensation at a rate to be determined by the committee, which rate shall not exceed \$10.00 for each day, or portion thereof, spent in attending meetings of the committee.

(h) *Districts.* (1) For the purpose of selecting committee members, the following districts of the production area are hereby initially established:

District No. 1. The counties of Crook, Deschutes, and Jefferson in the State of Oregon;

District No. 2. The counties of Klamath and Lake in the State of Oregon; and

District No. 3. The counties of Modoc and Siskiyou in the State of California.

(2) The Secretary, upon the recommendation of the committee, may re-establish districts within the production area and may reapportion committee membership among the various districts: *Provided*, That in recommending any such changes in districts or representa-

tion, the committee shall give consideration to: (i) The relative importance of new areas of production; (ii) changes in the relative position, with respect to production, of existing districts; (iii) the geographic location of areas of production as they would affect the efficiency of administering the marketing agreement and order; and (iv) other relevant factors: *Provided further*, That there shall be no change in the total number of committee members or in the total number of districts.

(i) *Nomination*. The Secretary may select the members of the Oregon-California Potato Committee and their respective alternates from nominations which may be made in the following manner:

(1) Nominations for the new member and alternate of the committee, provided for in paragraph (d) of this section, may be submitted by producers, or groups thereof, residing in District No. 1, on an elective basis, or otherwise.

(2) In order to provide nominations for committee members and alternates (except for nominations provided for in subparagraph (1)) of this paragraph:

(i) The committee shall hold or cause to be held prior to May 1 of each year, after the effective date hereof, a meeting or meetings of producers and of handlers, respectively, in each of the districts designated in paragraph (h) of this section, in which the term of office of committee members, and their respective alternates, will terminate at the end of the then current fiscal year;

(ii) In arranging for such meetings the committee may, if it deems desirable, utilize the services and facilities of existing organizations and agencies;

(iii) At each such meeting at least two nominees shall be designated for each position as member and for each position as alternate member on the committee, which is vacant or which is to become vacant at the end of the then current fiscal year;

(iv) Nominations for committee members and alternate members shall be supplied to the Secretary in such manner and form as he may prescribe, not later than 30 days prior to the end of each fiscal year;

(v) Only producers may participate in designating nominees for producer committee members and their alternates and only handlers may participate in designating nominees for handler committee members and their alternates;

(vi) Each person who is both a handler and a producer may vote either as a handler or as a producer and may elect the group in which he votes; and

(vii) Regardless of the number of districts in which a person handles or produces potatoes, each such person is entitled to cast only one vote on behalf of himself, his agents, subsidiaries, affiliates, and representatives, in designating nominees for committee members and alternates: *Provided*, That in the event a person is engaged in handling or producing potatoes in more than one district, such person shall elect the district within which he may participate as aforesaid in designating nominees: *Provided further*, That an eligible voter's privilege of casting only one vote, as

aforesaid, shall be construed to permit a voter to cast one vote for each position to be filled in the respective district in which he elects to vote.

(3) If nominations are not made within the time and in the manner specified by the Secretary pursuant to subparagraph (2) of this paragraph, the Secretary may, without regard to nominations, select the committee members and alternates on the basis of the representation provided for herein.

(j) *Vacancies*. To fill any vacancy occasioned by the failure of any person selected as a committee member or as an alternate to qualify, or in the event of the death, removal, resignation, or disqualification of any qualified member or alternate, a successor for his unexpired term may be selected by the Secretary from nominations made in the manner specified in paragraph (i) (2) of this section, or the Secretary may select such committee member or alternate from previously unselected nominees on the current nominee list from the district involved. If the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of the representation provided for herein.

§ 959.3 Expenses and assessments—

(a) *Expenses*. The committee is authorized to incur such expenses as the Secretary finds may be necessary to perform its functions hereunder during each fiscal year and for such other purposes as the Secretary may determine to be appropriate pursuant to the provisions hereof. The funds to cover such expenses shall be acquired by the levying of assessments, as herein provided, upon handlers.

(b) *Assessments*. (1) Each handler who first ships potatoes shall pay to the committee, upon demand, such handler's pro rata share of the expenses which the Secretary finds will be incurred by the committee for its maintenance and functioning during each fiscal year, and for such other purposes as the Secretary may determine to be appropriate pursuant to the provisions hereof. Such handler's pro rata share of such expense shall be equal to the ratio between the total quantity of potatoes handled by him as the first handler thereof, during the applicable fiscal year, and the total quantity of potatoes handled by all handlers as the first handlers thereof, during the same fiscal year. The Secretary shall fix the rate of assessment to be paid by such handlers.

(2) At any time during a fiscal year, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee. Such increase shall be applicable to all potatoes handled during the given fiscal year. In order to provide funds to carry out the functions of the committee, handlers may make advance payment of assessments.

(c) *Accounting*. (1) If, at the end of a fiscal year, it shall appear that assessments collected are in excess of ex-

penses incurred, each handler entitled to a proportionate refund of the excess assessments shall be credited with such refund against the operations of the following fiscal year, unless he demands payment thereof, in which event such proportionate refund shall be paid to him.

(2) If, upon the termination hereof and after reasonable effort by the committee, it is found impossible to return excess funds to handlers, such funds shall, with the approval of the Secretary, be turned over to an appropriate agency serving potato producers in the production area.

(3) The committee may, with the approval of the Secretary, maintain in its own name or in the name of its members, a suit against any handler for the collection of such handler's pro rata share of the expenses of the committee.

(d) *Funds*. All funds received by the committee pursuant to any provision hereof shall be used solely for the purposes herein specified and shall be accounted for in the following manner:

(1) The Secretary may at any time require the committee and its members to account for all receipts and disbursements; and

(2) Whenever any person ceases to be a committee member or alternate, he shall account for all receipts and disbursements and deliver all property and funds in his hands, together with all books and records in his possession, to his successor in office or to such person as the Secretary may designate, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor or in such designated person the right to all the property, funds, or claims vested in such member or alternate.

§ 959.4 Regulation—(a) *Duration of regulation*. All regulations issued by the Secretary pursuant to Order No. 59 shall continue in effect hereunder as originally issued, or subsequently modified, until such regulations are changed, modified, or suspended in accordance herewith.

(b) *Marketing policy*. At the beginning of each fiscal year the committee shall prepare and submit to the Secretary a report setting forth its proposed policy for the marketing of potatoes during such fiscal year. In the event it becomes advisable to deviate from such marketing policy, because of changed demand and supply conditions, the committee shall formulate a new marketing policy and shall submit a report thereon to the Secretary. The committee shall notify producers and handlers of the contents of such reports.

(c) *Recommendation for regulations*. (1) It shall be the duty of the committee to investigate supply and demand conditions for grade, size, and quality of potatoes of all varieties. In such investigations, the committee shall give due consideration to the following factors:

(i) Market prices of potatoes, including prices by grade, size, and quality in wholesale or in consumer packs, or any other shipping unit;

(ii) Potatoes on hand in the market areas as manifested by supplies en route and on track at the principal markets;

(iii) Supply of potatoes by grade, size, and quality, in the production area defined herein and in other production areas;

(iv) The trend and level of consumer income; and

(v) Other relevant factors.

(2) The committee shall recommend regulation to the Secretary, in accordance herewith, whenever it finds, on the basis of the foregoing investigation, that such conditions make it advisable:

(i) To regulate, in any or all portions of the production area, the shipment of particular grades and sizes of any or all varieties of tablestock or seed potatoes, or both, during any period; or

(ii) To regulate the shipment of particular grades and sizes of potatoes differently for different varieties, for different portions of the production area, for consumer or wholesale packs, for tablestock and seed, or any combination of the foregoing, during any period; or

(iii) To regulate the shipment of potatoes by establishing minimum standards of quality and maturity, in terms of grades, sizes, or both, and such grading and inspection requirements as will effectuate orderly marketing in the public interest.

(d) *Issuance of regulations.* (1) The Secretary shall limit the shipment of potatoes as hereinafter set forth, whenever he finds from the recommendations and information submitted by the committee, or from other available information, that it would tend to effectuate the declared policy of the act:

(i) To regulate, in any or all portions of the production area, the shipment of particular grades and sizes of any or all varieties of table stock or seed potatoes, or both, during any period; or

(ii) To regulate the shipment of particular grades and sizes of potatoes differently for different varieties, for different portions of the production area, for consumer or wholesale packs, for table stock and seed, or any combination of the foregoing, during any period; or

(iii) To regulate the shipment of potatoes by establishing minimum standards of quality and maturity, in terms of grades, sizes, or both, and such grading and inspection requirements as will effectuate orderly marketing in the public interest.

(2) The Secretary shall notify the committee of any such regulation and the committee shall give reasonable notice thereof to handlers.

(e) *Minimum quantities.* The committee, with the approval of the Secretary, may establish, for any or all portions of the production area, minimum quantities below which shipments will be free from regulations issued pursuant to § 959.3 and this section.

(f) *Inspection and certification.* During any period in which the shipment of potatoes is regulated pursuant to the provisions hereof, each handler who first ships potatoes shall prior to making shipment, cause each shipment to be inspected by an authorized representative of the Federal-State Inspection Service or such other inspection service as the Secretary shall designate.

Each such handler shall make arrangements with the inspection agency to forward promptly to the committee a copy of such inspection certificate: *Provided, however,* That (1) each handler making shipments of potatoes during such period, prior to making such shipment, shall determine if such shipment has been inspected and, if such shipment has not been so inspected and is not covered by an inspection certificate, each handler making such determinations shall have such potatoes inspected and shall arrange for a copy of the inspection certificate to be forwarded to the committee as aforesaid, and (2) each handler who first ships potatoes after such potatoes are regraded, resorted, or in any other way further prepared for market shall have each shipment of such potatoes inspected as provided herein.

(g) *Exemptions.* (1) The committee may adopt, subject to approval of the Secretary, the procedures pursuant to which certificates of exemption will be issued to producers or handlers.

(2) The committee may issue certificates of exemption to any producer who applies for such exemption and furnishes adequate evidence to the committee: (i) That by reason of a regulation issued pursuant to this section he will be prevented from shipping as large a proportion of his production as the average proportion of production shipped by all producers in said applicant's immediate production area, and (ii) that the grade, size, or quality of the applicant's potatoes have been adversely affected by acts beyond the applicant's control and by acts beyond reasonable expectation. Each certificate shall permit the producer to ship the amount of potatoes specified thereon. Such certificate shall be transferred with such potatoes at time of shipment.

(3) The committee may issue certificates of exemption to any handler who applies for such exemption and furnishes adequate evidence to the committee: (i) That by reason of a regulation issued pursuant to this section he will be prevented from shipping as large a proportion of his storage holdings of ungraded potatoes, acquired during or immediately following the digging season, as the average proportion of ungraded storage holdings shipped by all handlers in said applicant's immediate shipping area; and (ii) that the grade, size, or quality of the applicant's potatoes have been adversely affected by acts beyond the applicant's control and by acts beyond reasonable expectation. Each certificate shall permit the handler to ship the amount of potatoes specified thereon. Such certificate may be transferred with such potatoes at time of shipment.

(4) The committee shall be permitted at any time to make a thorough investigation of any producer's or handler's claim pertaining to exemptions.

(5) If any applicant for exemption certificates is dissatisfied with the determination by the committee with respect to his application, said applicant may file an appeal with the committee. Such an appeal must be taken promptly after the determination by the committee from which the appeal is taken. Any applicant filing an appeal shall furnish evidence satisfactory to the committee for a determination on the appeal. The committee shall thereupon reconsider the application, examine all available evidence, and make a final determination concerning the application. The committee shall notify the appellant of the final determination and shall furnish the Secretary with a copy of the appeal and a statement of considerations involved in making the final determination.

(6) The Secretary shall have the right to modify, change, alter or rescind any procedure and any exemptions granted pursuant to this section.

(7) The committee shall maintain a record of all applications submitted for exemption certificates, a record of all exemption certificates issued and denied, the quantity of potatoes covered by such exemption certificates, a record of the amount of potatoes shipped under exemption certificates, a record of appeals for reconsideration of applications, and such information as may be requested by the Secretary. Periodic reports on such records shall be compiled and issued by the committee upon request of the Secretary.

§ 959.5 *Shipments for specified purposes.* (a) The Secretary upon the basis of recommendations of the committee, or upon the basis of other available information, may modify, suspend, or terminate regulations issued pursuant to § 959.3 or § 959.4, or both, in order to facilitate shipments of potatoes for the purposes specified below, whenever he finds that such actions tend to effectuate the declared policy of the act; adequate safeguards may be established, pursuant to paragraph (c) of this section, to prevent such shipments from entering channels of trade for other than the specified purpose:

(1) Shipments of potatoes for the purpose of having such potatoes graded or stored in the production area;

(2) Shipments of potatoes for export;

(3) Shipments of potatoes for distribution by the Federal Government, for distribution by relief agencies, or for consumption by charitable institutions;

(4) Shipments of potatoes for the purpose of having such potatoes manufactured or converted into specified products or by-products; and

(5) Shipments of potatoes for livestock feed or for other specified purposes.

(b) Whenever the shipments of seed potatoes are not subject to the same regulations as shipments of table stock potatoes, issued pursuant to § 959.3 or § 959.4, or both, the committee, with the approval of the Secretary, may prescribe adequate safeguards, pursuant to paragraph (c) of this section, to prevent diversion of such shipments from seed potato channels.

(c) The committee, with the approval of the Secretary, may prescribe adequate safeguards, authorized by paragraphs (a) and (b) of this section, which safeguards may include requirements that:

(1) Handlers shall file applications with the committee to ship potatoes pursuant to this section;

(2) Handlers shall obtain Federal State inspection provided by § 959.4 (f) and pay the pro rata share of expenses provided by § 959.3 in connection with potato shipments effected under the provisions of this section: *Provided, That*

such inspection and payment of expenses may be required at different times than otherwise specified by the aforesaid sections; and

(3) (i) Handlers shall obtain Certificates of Privilege from the committee for shipments of potatoes effected or to be effected under the provisions of this section. The committee, with the approval of the Secretary, shall prescribe rules governing the issuance and the contents of such Certificates of Privilege.

(ii) The committee shall make a weekly report to the Secretary showing the number of applications for such certificates, the quantity of potatoes covered by such applications, the number of such applications denied and certificates granted, the quantity of potatoes shipped under duly issued certificates, and such other information as may be requested by the Secretary. The committee may rescind or deny Certificates of Privilege to any shipper if evidence is obtained that potatoes shipped by him for the purposes stated above have been diverted from such purposes contrary to the provisions hereof.

(d) (1) The Secretary shall give prompt notice to the committee of any modification, suspension, or termination of regulations pursuant to this section, or of any approval issued by him under the provisions of this section.

(2) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

§ 959.6 *Reports.* Upon the request of the committee, with approval of the Secretary, every handler shall furnish to the committee, in such manner and at such time as may be prescribed, such information as will enable the committee to exercise its powers and perform its duties hereunder. The Secretary shall have the right to modify, change, or rescind any requests for reports pursuant to this section.

§ 959.7 *Compliance.* Except as provided herein, no handler shall ship potatoes, the shipment of which has been prohibited by the Secretary in accordance with provisions hereof, and no handler shall ship potatoes except in conformity to the provisions hereof.

§ 959.8 *Right of the Secretary.* The members of the committee (including successors and alternates), and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 959.9 *Effective time and termination.*—(a) *Effective time.* The provisions hereof shall become effective at such time as the Secretary may declare above his signature attached hereto, and

shall continue in force until terminated in one of the ways hereinafter specified.

(b) *Termination.* (1) The Secretary may, at any time, terminate the provisions hereof by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(2) The Secretary may terminate or suspend the operation of any or all of the provisions hereof whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(3) The Secretary shall terminate the provisions hereof at the end of any fiscal year whenever he finds that such termination is favored by a majority of producers who, during the preceding fiscal year, have been engaged in the production for market of potatoes: *Provided*, That such majority has, during such year, produced for market more than fifty percent of the volume of such potatoes produced for market; but such termination shall be effective only if announced on or before June 30 of the then current fiscal year.

(4) The Secretary shall terminate the provisions hereof at the end of any fiscal year, upon the written request of handlers signatory hereto who submit evidence satisfactory to the Secretary that they handled not less than sixty-seven percent of the total volume of potatoes handled by the signatory handlers during the preceding fiscal year; but such termination shall be effective only if announced on or before June 30 of the then current fiscal year.¹

(5) The provisions hereof shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

(c) *Proceedings after termination.* (1) Upon the termination of the provisions hereof, the then functioning members of the committee shall continue as trustees, for the purpose of liquidating the affairs of the committee, of all the funds and property then in the possession of or under control of the committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(2) The said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such person as the Secretary may direct; and shall upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant thereto.

(3) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

¹ Applicable only to the proposed marketing agreement.

§ 959.10 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary, the termination hereof or of any regulation issued pursuant hereto, or the issuance of any amendments to either thereof, shall not (a) affect or waive and right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision hereof or any regulation issued hereunder, or (b) release or extinguish any violation hereof or of any regulation issued hereunder, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

§ 959.11 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue hereof shall cease upon the termination hereof, except with respect to acts done under and during the existence hereof.

§ 959.12 *Agents.* The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any bureau of division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions hereof.

§ 959.13 *Derogation.* Nothing contained herein is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 959.14 *Personal liability.* No member or alternate of the committee, nor any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever to any handler or any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, or employee, except for acts of dishonesty.

§ 959.15 *Separability.* If any provision hereof is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder hereof, or the applicability thereof to any other person, circumstance, or thing, shall not be affected thereby.

§ 959.16 *Amendments.* Amendments hereto may be proposed, from time to time, by the committee or by the Secretary.

§ 959.17 *Counterparts.* This agreement may be executed in multiple counterparts and when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all signatures were contained in one original.¹

§ 959.18 *Additional parties.* After the effective date hereof, any handler who has not previously executed this agreement may become a party hereto if a counterpart hereof is executed by him and delivered to the Secretary. This agreement shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary,

and the benefits, privileges, and immunities conferred by this agreement shall then be effective as to such new contracting party.¹

§ 959.19 *Order with marketing agreement.* Each signatory handler favors and approves the issuance of an order, by the Secretary, regulating the handling of potatoes in the same manner as is provided for in this agreement; and each signatory handler hereby requests the Secretary to issue, pursuant to the act, such an order.¹

Done at Washington, D. C., this 22d day of August 1949.

[SEAL]

JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 49-6903; Filed, Aug. 25, 1949;
8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR, Part 240]

CONTINUANCE OF UNLISTED TRADING PRIVILEGES ON MERGED EXCHANGES

PROPOSED RULE MAKING

Notice is hereby given that, pursuant to the authority contained in sections 12 (f) and 23 (a) of the Securities Exchange Act of 1934, the Securities and Exchange Commission proposes to amend § 240.12f-6 (Rule X-12F-6), which concerns the continuance of unlisted trading privileges on merged exchanges.

At the present time Rule X-12F-6 provides that in the event of a merger of

two exchanges located "in the same metropolitan area" the surviving exchange may, without further order of the Commission, continue the unlisted trading privileges of the absorbed exchange. Under the proposed amendment, Rule X-12F-6 would be broadened to permit under specified circumstances the continuance of unlisted trading privileges of the absorbed exchange even though the exchanges affected by the merger were not located in the same metropolitan area.

The proposed amendment of Rule X-12F-6 is occasioned by the projected merger of several midwestern exchanges. Under the proposed amendment of Rule X-12F-6 the surviving exchange would acquire the unlisted trading privileges of the exchanges participating in the merger.

Rule X-12F-6 now reads as follows:

§ 240.12f-6 *Continuance of unlisted trading privileges on merged exchanges.* A national securities exchange which has absorbed another exchange in the same metropolitan area may, without further order of the Commission, continue unlisted trading privileges, subject to section 12 (f), as amended, and the rules and regulations thereunder, in any security which was admitted to such privileges on such other exchange at the time of such absorption.

It is proposed to amend this rule to read as follows:

§ 240.12f-6 *Continuance of unlisted trading privileges on merged exchanges.*

(a) Subject to section 12 (f), as amended, and the rules and regulations thereunder, a national securities exchange which has absorbed another exchange may, without further order of the Commission, continue unlisted trading privileges (1) in any security which was admitted to such privileges on the absorbed exchange pursuant to Clause (1) of section 12 (f), and (2) in any security which was admitted to such privileges on the absorbed exchange pursuant to Clause (2) or (3) of section 12 (f) if the vicinity of the surviving exchange includes the vicinity of the absorbed exchange.

(b) For the purpose of this section the vicinity of the surviving exchange shall include the vicinity of an absorbed exchange if the vicinities of the absorbed and surviving exchanges are located within a single geographic division or adjoining geographic divisions of the United States as classified by the United States Bureau of the Census.

All interested persons are invited to submit data, views and comments on the above proposal in writing to the Securities and Exchange Commission at its principal office, 425 Second Street NW., Washington 25, D. C., on or before September 15, 1949.

By the Commission.

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

AUGUST 19, 1949.

[F. R. Doc. 49-6917; Filed, Aug. 25, 1949;
9:09 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[P. & S. Docket No. 1847]

NORTHWEST OKLAHOMA CATTLEMEN'S ASSN., INC.

NOTICE OF HEARING REGARDING BRAND INSPECTION AUTHORIZATION

The Northwest Oklahoma Cattlemen's Association, Inc., Woodward, Oklahoma, has been authorized to register as a market agency and to charge and collect fees at stockyards posted under the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.), for the mandatory inspection of brands, marks, and other identifying characteristics of livestock originating in or shipped from the counties of Beaver, Cimarron, Ellis, Dewey, Harper, Major, Roger-Mills, Texas, Woods and Woodward in the State of Oklahoma for the purpose of determining ownership of such livestock.

After investigation of an informal complaint concerning the services ren-

dered by such association, and an effort to effect an informal adjustment of the matters complained of, the Director of the Livestock Branch, Production and Marketing Administration instituted a proceeding by the issuance of a complaint and notice of hearing to ascertain whether it is in the public interest to revoke the said authorization.

The complaint and notice of hearing provides that a hearing will be held in the matter on September 12, 1949, at 10:00 a. m., c. s. t., at Woodward, Oklahoma, at a place therein to be designated later to inquire as to the truth of the following allegations:

I. The respondent is a duly organized livestock association of the State of Oklahoma.

II. Branding or marking livestock as a means of establishing ownership is not required by statute of the State of Oklahoma.

III. The practice of branding or marking, or both branding and marking, livestock as a means of establishing ownership does not prevail by custom in the State of Oklahoma to an extent that would warrant the charging or collecting of fees for mandatory inspection.

IV. Inspection under such authorization interferes with the orderly and expeditious handling of animals at posted stockyards.

V. Delays incident to such inspection cause shrinkage of livestock and loss of revenue to the shipper.

VI. The respondent is not equipped to perform the inspection in a manner which will be of value to the markets and shippers in that adequate records are not available to respondent to permit trained personnel to follow out efficient procedures.

The complaint and notice of hearing also provides that notice of the proceeding shall be given to the public by publication in the FEDERAL REGISTER and all interested parties shall be afforded a period of fifteen days in which to indicate a desire to be heard in the matter.

Therefore, this notice of the proceeding is being given to the public. All interested persons who desire to be heard in the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within fifteen days after the publication of this notice. All such interested persons will be accorded the opportunity of testifying at the hearing.

¹ Applicable only to the proposed marketing agreement.

OUACHITA NATIONAL FOREST		
Date of order of opening	List No.	Land
Apr. 2, 1912	3-1573...	T. 4 N., R. 26 W., 5th P. M., Sec. 31, W $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, T. 3 N., R. 27 W., Sec. 1, N $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, containing 37.30 acres.
CALIFORNIA		
ANGELES NATIONAL FOREST		
July 19, 1915	5-2588...	T. 5 N., R. 18 W., S. B. M., Sec. 13, NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 10 acres.
July 18, 1914	5-2256...	T. 6 N., R. 14 W., S. B. M., Sec. 14, N $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 10 acres.
Jan. 29, 1917	5-2830...	T. 5 N., R. 18 W., S. B. M., Sec. 13, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, containing 20 acres.
CLEVELAND NATIONAL FOREST		
Feb. 10, 1915	5-2472...	T. 7 S., R. 4 W., S. B. M., Sec. 7, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, containing 10 acres.
INYO NATIONAL FOREST		
May 9, 1914	5-2149...	T. 13 S., R. 34 E., M. D. M., Sec. 3, Lots 23 and 24, N $\frac{1}{2}$ SE $\frac{1}{4}$, containing 160 acres.
Apr. 12, 1911	5-687...	T. 13 S., R. 34 E., M. D. M., Sec. 21, N $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{4}$ E $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 22, SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, containing 192.70 acres.
Mar. 17, 1910	5-174...	T. 13 S., R. 34 E., M. D. M., Sec. 22, S $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, contain- ing 35.58 acres.
July 16, 1913	5-1280	T. 14 S., R. 34 E., M. D. M., Sec. 15, 77.67 acres described by metes and bounds.
LOS PADRES NATIONAL FOREST		
May 27, 1916	5-2731...	T. 9 N., R. 24 W., S. B. M., Sec. 34, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 80 acres.
KLAMATH NATIONAL FOREST		
Jan. 13, 1910	5-179...	T. 39 N., R. 11 W., M. D. M., Sec. 4, W $\frac{1}{4}$ E $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, containing 20 acres.
Apr. 12, 1911	5-688...	T. 39 N., R. 12 W., M. D. M., Sec. 22, SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 65 acres.
MENDOCINO NATIONAL FOREST		
Mar. 25, 1918	5-2863...	T. 15 N., R. 8 W., M. D. M., Sec. 26, SW $\frac{1}{4}$ SE $\frac{1}{4}$, contain- ing 40 acres.

CALIFORNIA—Continued
SEQUOIA NATIONAL FOREST

Date of order of opening	List No.	Land
July 9, 1917	5-2860..	T. 26 S., R. 32 E., M. D. M., Sec. 8, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, containing 10 acres.

SIX RIVERS NATIONAL FOREST

Feb. 2, 1915	5-2468..	T. 4 N., R. 4 E., H. M., Sec. 31, S $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 30 acres.
--------------	----------	---

TOIYABE NATIONAL FOREST

Mar. 25, 1918	5-2869..	T. 7 N., R. 23 E., M. D. M., Sec. 6, SW $\frac{1}{4}$ SE $\frac{1}{4}$; Sec. 7, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, containing 160 acres.
---------------	----------	---

TRINITY NATIONAL FOREST

May 22, 1909	5-39....	T. 4 N., R. 6 E., H. M., Sec. 20, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, containing 20 acres.
May 22, 1909	5-18....	T. 3 N., R. 7 E., H. M., Sec. 19, NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, containing 2 $\frac{1}{2}$ acres.
Mar. 25, 1918	5-2881..	T. 2 N., R. 7 E., H. M., Sec. 7, NE $\frac{1}{4}$ lot 1, S $\frac{1}{2}$ lot 2, N $\frac{1}{2}$ lot 3, SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$; T. 3 N., R. 7 E., H. M., Sec. 14, SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, containing 102.97 acres.
Apr. 8, 1910	5-185...	T. 2 N., R. 7 E., H. M., Sec. 7, S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, containing 65 acres.
Apr. 12, 1911	5-531...	T. 3 N., R. 7 E., H. M., Sec. 22, NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, containing 10 acres.
Mar. 25, 1918	5-2884..	T. 3 N., R. 8 E., H. M., Sec. 20, SW $\frac{1}{4}$ SE $\frac{1}{4}$, containing 40 acres.

IDAHO

BOISE NATIONAL FOREST

Jan. 26, 1909..	4-12....	T. 3 N., R. 7 E., B. M., Sec. 34, NW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 40 acres.
-----------------	----------	--

CARIBOU NATIONAL FOREST

Mar. 6, 1914	4-1318..	T. 14 S., R. 37 E., B. M., Sec. 32, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, containing 80 acres.
Feb. 27, 1917	4-2096..	T. 14 S., R. 37 E., B. M., Sec. 32, S $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, containing 80 acres.

NEW MEXICO

SANTA FE NATIONAL FOREST

May 10, 1920	3-4390..	T. 25 N., R. 1 E., N. M. P. M., Sec. 20, N $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, all of those portions of the W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ not lying within H. E. S. 482, all that portion of the E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ not lying within H. E. S. 482 and 485, and all of portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ not lying within H. E. S. 485; Sec. 21, N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 95.30 acres.
--------------	----------	---

OREGON

DESCHUTES NATIONAL FOREST

Date of order of opening	List No.	Land
Feb. 12, 1917	6-2000..	T. 22 S., R. 8 E., W. M., Sec. 12, SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, containing 20 acres.

UMPQUA NATIONAL FOREST

Mar. 22, 1915	6-1556..	T. 30 S., R. 1 W., W. M., Sec. 14, NW $\frac{1}{4}$ SW $\frac{1}{4}$, containing 40 acres.
Sept. 10, 1914	6-1329..	T. 32 S., R. 3 W., W. M., Sec. 22, SE $\frac{1}{4}$ SW $\frac{1}{4}$, containing 40 acres.

WHITMAN NATIONAL FOREST

Mar. 14, 1914	6-1191..	T. 14 S., R. 37 E., W. M., Sec. 11, NE $\frac{1}{4}$ SE $\frac{1}{4}$, containing 40 acres.
---------------	----------	--

UTAH

ASHLEY NATIONAL FOREST

May 1, 1909..	1607....	T. 2 N., R. 20 E., S. L. M., Sec. 3, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, containing 120 acres.
---------------	----------	---

DIXIE NATIONAL FOREST

Feb. 12, 1910.	4-275...	T. 36 S., R. 1 E., S. L. M., Sec. 6, S $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, containing 35 acres.
----------------	----------	--

WASHINGTON

CHELAN NATIONAL FOREST

Feb. 2, 1920..	6-1534..	T. 32 N., R. 21 E., W. M., Sec. 13, S $\frac{1}{2}$ NE $\frac{1}{4}$, containing 80 acres.
----------------	----------	---

WYOMING

TETON NATIONAL FOREST

Jan. 9, 1907...	23.....	T. 38 N., R. 112 W., 6th P. M., Sec. 30, NW $\frac{1}{4}$ NE $\frac{1}{4}$, containing 40 acres.
-----------------	---------	---

DEPUE FALCK,
Acting Director.

[F. R. Doc. 49-6899; Filed, Aug. 25, 1949;
8:46 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 2953 et al.]

PACIFIC ROUTE AMENDMENT CASE

NOTICE OF ORAL ARGUMENT

In the matter of applications for amendments of certificates of public convenience and necessity under section 401 of the Civil Aeronautics Act of 1938, as amended.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 401 and 1001 of said act, that oral argument in the above-entitled proceeding is assigned to be held on September 15, 1949, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before the Board.

Dated at Washington, D. C., August 22, 1949.

By the Civil Aeronautics Board.

[SEAL]

M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-6945; Filed, Aug. 25, 1949;
9:04 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1253]

LANCASTER COUNTY GAS CO.

NOTICE OF APPLICATION

AUGUST 19, 1949.

Take notice that the Lancaster County Gas Company (Applicant), a Pennsylvania corporation, address, Lancaster, Pennsylvania, filed on August 12, 1949, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of the following natural-gas transmission facilities:

(1) Approximately 3.45 miles of 6-inch lateral pipe line from a Regulating and Metering Station to be installed by Manufacturers Light and Heat Company at a point on the main transmission pipe line of Texas Eastern Transmission Corporation in Manheim Township, Lancaster County, Pennsylvania, to a Regulator Station located at Applicant's gas plant in Lancaster, Pennsylvania.

(2) Approximately 3.22 miles of 4-inch lateral pipe line from a Regulating and Metering Station to be installed by Manufacturers Light and Heat Company at a point on the main transmission pipe line of Texas Eastern Transmission Corporation near Newton, Rapho Township, Lancaster County, Pennsylvania, to two Regulator Stations to be installed by Applicant in Columbia, Pennsylvania.

(3) Approximately 0.53 mile of 4-inch lateral pipe line from a point of connection with the transmission pipe-line system of Manufacturers Light and Heat Company in Lititz, Lancaster County, Pennsylvania, to Applicant's gas plant in Lititz, Pennsylvania.

(4) Approximately 2.17 miles of 3-inch lateral pipe line from a point of connection with the transmission pipe-line system of Manufacturers Light and Heat Company near Manheim, Penn Township, Lancaster County, Pennsylvania, to Applicant's Regulator Station in Manheim, Pennsylvania.

(5) Approximately 700 feet of 3-inch lateral pipe line from the main transmission pipe lines of Manufacturers Light and Heat Company to Applicant's Mount Joy Gas Plant in the Borough of Mount Joy, Lancaster County, Pennsylvania.

Applicant proposes by means of said facilities to accept delivery from Manufacturers Light and Heat Company and to transport its entire natural gas requirements for distribution and sale to Applicant's customers in its Lancaster, Columbia, Lititz, Manheim and Mount Joy Divisions. The facilities described in (1), above, will be used to transport natural gas to Applicant's Lancaster gas

plant for use in the production of 520 B. t. u. gas which will be distributed and sold in its Lancaster Division, and the facilities described in (2), (3), (4), and (5), above, will be used to transport natural gas for distribution and sale in the remaining four Divisions enumerated above.

The estimated cost of the proposed facilities is \$221,000. The proposed financing includes cash derived from retained earnings, reserve accounts, temporary bank borrowings, and open account advances to Applicant by its parent, the United Gas Improvement Company.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) within 15 days from the date of publication hereof in the FEDERAL REGISTER. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 49-6896; Filed, Aug. 25, 1949;
8:45 a. m.]

[Docket No. G-1254]

HARRISBURG GAS CO.

NOTICE OF APPLICATION

AUGUST 19, 1949.

Take notice that the Harrisburg Gas Company (Applicant), a Pennsylvania corporation, address, Harrisburg, Pennsylvania, filed on August 12, 1949, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately 18 miles of 8-inch pipe line from a point of connection with the transmission pipeline system of Manufacturers Light and Heat Company (Manufacturers) in East Donegal Township, Lancaster County, Pennsylvania, to a Regulator Station located on Applicant's property in Steelton, Dauphin County, Pennsylvania; or, in the alternative, a finding and determination that such facilities are not subject to the jurisdiction of the Commission.

Applicant proposes by means of said facilities to accept delivery from Manufacturers and to transport its entire natural gas requirements to Applicant's gas plant for use as a raw material for the production of 520 b. t. u. gas. The gas so produced will be distributed and sold, in part to Applicant's retail customers, and in part for resale to Applicant's affiliate, Lebanon Valley Gas Company.

The estimated cost of the proposed facilities is \$453,800. The proposed financing includes cash derived from retained earnings, reserve accounts, temporary bank borrowings, and open account advances to Applicant by its parent, the United Gas Improvement Company.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) within 15 days from the date of publication hereof in the FEDERAL REGISTER. The application is on

file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 49-6897; Filed, Aug. 25, 1949;
8:45 a. m.]

[Docket No. G-1255]

ALLENTOWN-BETHLEHEM GAS CO.

NOTICE OF APPLICATION

AUGUST 19, 1949.

Take notice that the Allentown-Bethlehem Gas Company (Applicant), a Pennsylvania corporation, address, Allentown, Pennsylvania, filed on August 12, 1949, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately two and three-tenths miles of 8 $\frac{3}{4}$ -inch pipe line from a point of connection where Manufacturers Light and Heat Company (Manufacturers) proposes to install a Regulating and Metering Station on its existing 14-inch natural gas transmission pipe line in Northampton County, Pennsylvania, to a Regulator Station located at Applicant's Didier gas plant in the city of Bethlehem, Pennsylvania; or, in the alternative, a finding and determination that such facilities are not subject to the jurisdiction of the Commission.

Applicant proposes by means of said facilities to accept delivery from Manufacturers and to transport its entire natural gas requirements to Applicant's gas plant for use in the production of 520 b. t. u. gas. The gas so produced will be distributed and sold, in part to Applicant's retail customers, and in part for resale to City Gas Company of Phillipsburg, New Jersey.

The estimated cost of the proposed facilities is \$54,800. The proposed financing includes cash derived from retained earnings, reserve accounts, temporary local bank borrowings, and open account advances to Applicant by its parent, The United Gas Improvement Company.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) within 15 days from the date of publication hereof in the FEDERAL REGISTER. The application is on file with the Commission for public inspection.

[SEAL]

J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 49-6898; Filed, Aug. 25, 1949;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-1949]

UNITED GAS CORP. AND ELECTRIC POWER & LIGHT CORP.

ORDER RELEASING JURISDICTION

At a regular session of the Securities and Exchange Commission held at its

office in the city of Washington, D. C. on the 19th day of August A. D. 1949.

The Commission having on May 20, 1949 issued its order granting and permitting to become effective the joint application-declaration, as amended, of Electric Power & Light Corporation ("Electric"), then a registered holding company subsidiary of Electric Bond and Share Company, a registered holding company, and Electric's then gas utility subsidiary, United Gas Corporation ("United") with respect to certain proposed amendments of United's charter and by-laws and the composition of the Board of Directors of United; and

Said application-declaration having set forth a slate of directors for eight of the nine vacancies on the Board of Directors of United, and the Commission's order of May 20, 1949, having reserved jurisdiction with respect to the ninth vacancy on the Board of Directors, said order providing in part:

(2) That inasmuch as only eight of the vacancies on the board of directors will be filled at this time, United shall, within three months after the date of its annual meeting, submit to the Commission the name of the proposed ninth member of the board of directors, setting forth the background and qualifications of such director and the manner and reasons for his selection, and that such ninth director shall not be proposed for election unless no adverse action has been taken by the Commission with respect to him.

United having filed a further amendment to its application-declaration setting forth that, after discussions by its president with a representative number of stockholders, United submits as its proposed ninth director, Charles M. Werly, whose principal occupation is that of a trustee of the George Putnam Fund of Boston; and

It appearing to the Commission that no adverse action is necessary or appropriate with respect to the amendment setting forth the name of such proposed director, and that the jurisdiction heretofore reserved with respect thereto may properly be released:

It is ordered, That jurisdiction heretofore reserved with respect to the selection of the ninth member of the Board of Directors of United be, and the same hereby is, released.

By the Commission.

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 49-6916; Filed, Aug. 25, 1949;
9:09 a. m.]

[File No. 70-2192]

ARKANSAS NATURAL GAS CORP. AND
ARKANSAS LOUISIANA GAS CO.

NOTICE OF FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of August A. D. 1949.

Notice is hereby given that a joint declaration has been filed with this Commission, pursuant to the Public Utility Holding Company Act of 1935, by Ar-

kansas Natural Gas Corporation ("Arkansas Natural"), a registered holding company, and its subsidiary, Arkansas Louisiana Gas Company ("Arkansas Louisiana"). Declarants have designated sections 6 (a), 7 and 12 (b) of the act and Rule U-45 thereunder as applicable to the proposed transactions.

All interested persons are referred to said declaration which is on file in the office of the Commission for a statement of the transactions therein proposed, which are summarized as follows:

Arkansas Louisiana, pursuant to an order of the Commission dated August 6, 1947 (Holding Company Act Release No. 7624) entered into a Loan Agreement dated as of October 15, 1947, with Guaranty Trust Company of New York ("Bank") under which it borrowed \$11,500,000 evidenced by a 2 1/4% installment promissory note of which \$10,000,000 principal amount was outstanding as at June 30, 1949. This balance is payable in sixteen installments of \$625,000 each in April and October of each year beginning October 15, 1949, and ending April 15, 1957. On October 11, 1948, Arkansas Louisiana borrowed an additional \$2,500,000 under said Loan Agreement issuing therefor its 2 1/2% promissory notes due October 15, 1957, all of which are now outstanding.

Arkansas Louisiana is engaged in a construction program which the company estimates will require the expenditure of \$13,866,000 during 1949 and \$7,114,000 during 1950. The program provides for the construction in the year 1949 of a natural gas pipe line from Waskom, Texas, to Perla, near Malvern, Arkansas, estimated to cost approximately \$8,000,000 and for the expenditure of approximately \$5,866,000 for extensions, construction of distribution systems and for drilling and development of proven gas acreage. The construction program for the year 1950, provides principally for main line and distribution construction. An application for a certificate authorizing the construction of the pipe line is now pending before the Federal Power Commission. Arkansas Louisiana estimates that it will have available cash from corporate sources in the years 1949 and 1950 of \$4,366,000 and \$3,614,000, respectively, and will have to raise \$9,500,000 in 1949 and \$3,500,000 in 1950 from outside sources.

To obtain its additional capital requirements, Arkansas Louisiana proposes to enter into a Supplemental Loan Agreement with the Bank, amending and supplementing the Loan Agreement mentioned above, pursuant to which it proposes to borrow from the Bank an additional \$9,500,000. This borrowing is to be evidenced by a promissory note to be issued by Arkansas Louisiana bearing interest at the rate of 2 3/4% per annum, payable semi-annually, and maturing three years after date of issue.

Under the proposed Supplemental Loan Agreement, Arkansas Louisiana will also have the right to borrow from the Bank, at any time and from time to time for a period of 12 months from the date of the said Supplemental Loan Agreement, additional amounts to aggregate not exceeding \$3,500,000. Such additional borrowing is to be evidenced by

a new note or notes in the principal amount of such borrowing. Such notes will bear interest at the rate of 2 3/4% per annum and mature three years from the date of said Supplemental Loan Agreement. In consideration of the commitment of the Bank to extend such additional credit, Arkansas Louisiana will pay the Bank a commitment fee computed at the rate of 1/2 of 1% per annum on the daily average unused amount of the said \$3,500,000, which the Bank is obligated to lend, computed quarterly, the first payment being due October 15, 1949.

The Supplemental Loan Agreement provides further that (1) in the event that Arkansas Louisiana shall prepay all the notes outstanding under the Loan Agreement, as proposed to be amended, on or before twelve months from the date of the Supplemental Loan Agreement, the Bank will adjust the interest rates on the new notes downward from 2 3/4% to 2 1/4% per annum and the Bank will pay the company an amount equal to the difference and (2) Arkansas Louisiana may prepay all the notes outstanding under the Loan Agreement, as amended, without premium if such prepayment is made within twelve months from the date of the Supplemental Loan Agreement and is made from funds derived by the sale of debt securities to other than commercial banks (except to the extent that they may be acquired by commercial banks in connection with a public offering by the company at competitive bidding) provided that the final maturity of any such issue is at least fourteen years from date of such prepayment.

Arkansas Natural is the holder of a 4 1/4% Sinking Fund Debenture due 1955 of Arkansas Louisiana in the principal amount of \$6,500,000. In connection with the execution of the original Loan Agreement, Arkansas Natural entered into a Subordination Agreement dated October 15, 1947 with Arkansas Louisiana and the Bank which provided for the subordination of the said Debenture, with respect to payment of principal and interest thereon, to the payment of the notes heretofore issued under the Loan Agreement. In accordance with that agreement the Debenture was stamped with an appropriate legend. Contemporaneously with the execution and delivery of the proposed Supplemental Loan Agreement, Arkansas Natural, Arkansas Louisiana and the Bank propose to enter into an amendment to the said Subordination Agreement to provide for the subordination of the said Debenture to the due and punctual payment of the notes proposed to be issued under the Supplemental Loan Agreement and to appropriately note the subordination by legend to be placed on the Debenture.

Fees and expenses, exclusive of commitment fees, have been estimated at \$17,500, of which \$12,500 is for legal fees.

Declarants request that the Commission's order herein issue as promptly as may be practicable and that it become effective upon issuance.

Notice is further given that any interested person may, not later than August 30, 1949, at 5:30 p. m., e. d. s. t., request the Commission in writing that a

hearing be held on such matter, stating the reason for such request, the nature of his interest, and the issues of fact or law raised by said declaration which he desires to controvert, or may request that he be notified if the Commission orders a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after August 30, 1949, said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under said act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and 100 thereof.

By the Commission.

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 49-6918; Filed, Aug. 25, 1949;
9:10 a. m.]

UNITED STATES MARITIME COMMISSION

AMERICAN-HAWAIIAN STEAMSHIP CO. AND
PITTSBURGH STEAMSHIP CO.

NOTICE OF HEARING

Applications for extension of period for commitment of Construction Reserve Fund Deposits under section 511 of the Merchant Marine Act, 1936, as amended.

Notice is hereby given that a public hearing will be held in Room 4823, Commerce Building, Washington, D. C., beginning on August 31, 1949, at 10:30 o'clock a. m., e. d. s. t., before Examiner A. L. Jordan, upon applications of American-Hawaiian Steamship Company and Pittsburgh Steamship Company dated July 14, 1949, and August 3, 1949, respectively, for extension of time beyond September 30, 1949, for committing or expanding unobligated deposits made in their respective Construction Reserve Funds established pursuant to section 511 of the Merchant Marine Act, 1936, as amended.

The purpose of the hearing is to receive evidence from applicants fully explaining the need for extensions and the steps being taken to undertake construction or acquisition of new vessels within the extended time.

The hearing will be conducted pursuant to the Commission's rules of procedure (12 F. R. 6076), and a recommended decision will be issued.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) having an interest in these matters should file with the Commission immediately written request to appear and be heard. Also, any similar depositor who may desire to be heard on an application for extension may intervene and be heard at such hearing.

By order of the United States Maritime Commission.

Dated: August 16, 1949.

A. J. WILLIAMS,
Secretary.

[F. R. Doc. 49-6919; Filed, Aug. 25, 1949;
9:10 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616, E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 13644]

LUISA MARTINI

In re: Estate of Luisa Martini, deceased. File No. D-28-12676; E. T. sec. 16852.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Elise Solbrig, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof in and to the estate of Luisa Martini, deceased, is property payable or deliverable to, or claimed by, the aforesaid national of a designated enemy country (Germany);

3. That such property is in the process of administration by Mary Toth and Sophie Arnold, Administratrices, acting under the judicial supervision of the County Court, Hunterdon County, New Jersey;

and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 10, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-6922; Filed, Aug. 25, 1949;
9:00 a. m.]

[Vesting Order 13643]

JOHN A. MAIER

In re: Estate of John A. Maier, also known as J. A. Maier, deceased. File No. D-28-12681; E. T. sec. 16857.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Albert Mohle, Anna Stadel, Marie Brudt (Brodt), Frida Mahren (Mehren), Wilhelm Maier, Adolph Maier, Julius Maier, Paul Maier, Eberhard Maier and Wilhelm Hauser, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees and distributees, names unknown, of Marie Brudt (Brodt), who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of John A. Maier, also known as J. A. Maier, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Mina C. Bosch Walter, as administratrix c. t. a., acting under the judicial supervision of the Orphans' Court of Westmoreland County, Greensburg, Pennsylvania;

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees and distributees, names unknown, of Marie Brudt (Brodt), are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 10, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-6921; Filed, Aug. 25, 1949;
9:00 a. m.]

[Vesting Order 13666]

FREDERICK BRODBECK

In re: Bank account owned by Frederick Brodbek. F-28-29378.

Under the authority of the Trading With the Enemy Act, as amended, Execu-

tive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Frederick Brodbek, whose last known address is Tibingen, Rutenburg, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Frederick Brodbek, by Seattle First National Bank, Seattle, Washington, arising out of a savings account, account number 194954, entitled Frederick Brodbek, maintained at the branch office of the aforesaid bank located at 601 Riverside Avenue, Spokane, Washington, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6923; Filed, Aug. 25, 1949;
9:00 a. m.]

[Vesting Order 13669]

ANNA HOLLANDER DHOM

In re: Bank account owned by Anna Hollander Dhom. F-28-30449-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Hollander Dhom, whose last known address is 42 Alzeier Street, Worms, Rhine, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of The San Francisco Bank, 526 California Street, San Francisco, California,

arising out of a savings account, account number 732734, entitled Francis Joseph Nielsen, Trustee For Anna Hollander Dhom, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Anna Hollander Dhom, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6924; Filed, Aug. 25, 1949;
9:00 a. m.]

[Vesting Order 13670]

KONRAD ENGELHARDT ET AL.

In re: Bank account owned by Konrad Engelhardt and others. D-28-7353-G-5.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Konrad Engelhardt, whose last known address is % Mrs. Buchheiser, Gorgestrasse 13, Luneburg (24), Germany, Emmy von Blumencorn, whose last known address is Golfestrasse 15, Hamburg-Grossflottbek (24), Germany, and Hilde Plettner, whose last known address is Spiekeroog, East Friesian Islands, North Sea (23), Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of St. Louis Union Trust Company, 323 N. Broadway, St. Louis 2, Missouri, arising out of an account entitled Edward Mallinckrodt, Jr. (Agent for Emilie Engelhardt, deceased), maintained with the aforesaid Company, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Konrad Engelhardt, Emmy von Blumencorn and Hilde Plettner, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6925; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13672]

LUISE KUBLER

In re: Bank account owned by Luise Kubler. F-28-29795-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Luise Kubler, whose last known address is (14a) Tamm (Wurtt), Hauptstrasse 75, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Luise Kubler, by The Franklin Savings Bank in the City of New York, 656 Eighth Avenue, New York, New York, arising out of a Savings Account, account number 306178, entitled Luise Kubler, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the

national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6926; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13679]

SAIMATSU HORIGUCHI

In re: Rights of Saimatsu Horiguchi under Insurance Contract. File No. F-39-6406-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Saimatsu Horiguchi, whose last known address is Japan, is a resident of Japan and a national of a designated country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 1,130,066, issued by the Sun Life Assurance Company of Canada, Montreal, Quebec, Canada, to Saimatsu Horiguchi, together with the right to demand, receive and collect said net proceeds, (including without limitation the right to proceed for collection against branch offices and legal reserves maintained in the United States),

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the prop-

erty described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6927; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13680]

SINA KAWASAKI

In re: Rights of Sina Kawasaki under Insurance Contract. File No. D-39-19129-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Sina Kawasaki, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. WS 98713; issued by the California-Western States Life Insurance Company, Sacramento, California, to Kaoru Kuroda, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6928; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13681]

MITSUGI KIKUGAWA

In re: Rights of Mitsugi Kikugawa under Insurance Contract. File No. D-39-18471-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mitsugi Kikugawa, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 8 153 121, issued by the New York Life Insurance Company, New York, New York, to Mitsugi Kikugawa, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6929; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13682]

MARIE KLEEMANN

In re: Rights of Marie Kleemann under Insurance Contracts. Files No. F-28-3205-H-1, H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Marie Kleemann, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under contracts of insurance evidenced by policies No. 8951665 and 9144986, issued by The Equitable Life Assurance Society of the United States, New York, New York, to Marie Kleemann, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6930; Filed, Aug. 25, 1949;
9:01 a. m.]

[Vesting Order 13683]

JOHANNA KLINK

In re: Rights of Johanna Klink under Insurance Contract. File No. F-28-24321-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johanna Klink, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 4,646,269 C, issued by the Metropolitan Life Insurance Company, New York, New York, to Johanna

Klink, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6931 Filed, Aug. 25, 1949
9:02 a. m.]

[Vesting Order 13684]

WALTER L. E. KLINK

In re: Rights of Walter L. E. Klink under Insurance Contract. File No. F-28-24322-H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Walter L. E. Klink, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 100 085 441, issued by the Metropolitan Life Insurance Company, New York, New York, to Walter L. E. Klink, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not

within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6932 Filed, Aug. 25, 1949;
9:02 a. m.]

[Vesting Order 13685]

AMANDA KUTHER

In re: Rights of Amanda Kuther under Contract of Insurance. File No. D-28-7590-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Amanda Kuther, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 0543-32, issued by The Equitable Life Assurance Society of the United States, New York, New York, to John H. Oest, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or other-

wise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6933 Filed, Aug. 25, 1949;
9:02 a. m.]

[Vesting Order 13687]

EMMY MAHLKE

In re: Rights of Emmy Mahlke under Insurance Contract. File No. D-34-799-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Emmy Mahlke, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 8 055 304-A, issued by the Metropolitan Life Insurance Company, New York, New York, to Bruno Mahlke, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6934 Filed, Aug. 25, 1949;
9:02 a. m.]

[Vesting Order 13689]

EGON MORITZ

In re: Rights of Egon Moritz under Insurance Contract. File No. F-28-26723-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Egon Moritz, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 95569468, issued by the Metropolitan Life Insurance Company, New York, New York, to Egon Moritz, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6935; Filed, Aug. 25, 1949;
9:02 a. m.]

[Vesting Order 13690]

JITSUO NAKANISHI

In re: Rights of Jitsuo Nakanishi under Insurance Contract. File No. F-39-1327-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Jitsuo Nakanishi, whose last known address is Japan, is a resident of

Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 42279, issued by the Oregon Mutual Life Insurance Company, Portland, Oregon, to Jitsuo Nakanishi, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6936; Filed, Aug. 25, 1949;
9:03 a. m.]

[Vesting Order 13691]

JITSUO NAKANISHI

In re: Rights of Jitsuo Nakanishi under Insurance Contract. File No. F-39-1327-H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Jitsuo Nakanishi, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 1045792, issued by the Sun Life Assurance Company of Canada, Montreal, Quebec, Canada, to Jitsuo Nakanishi, together with the right to demand, receive and collect said net proceeds (including without limitation the right to proceed for collection against branch offices and legal reserves maintained in the United States),

is property within the United States owned or controlled by, payable or deliv-

erable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6937; Filed, Aug. 25, 1949;
9:03 a. m.]

[Vesting Order 13692]

NUI NAMEKAWA

In re: Rights of Nui Namekawa under Insurance Contract. File No. F-39-4919-H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Nui Namekawa, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 1020726, issued by the Sun Life Assurance Company of Canada, Montreal, Quebec, Canada, to Rev. Kiichiro Namekawa, together with the right to demand, receive and collect said net proceeds (including without limitation the right to proceed for collection against branch offices and legal reserves maintained in the United States),

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States re-

quires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6938; Filed, Aug. 25, 1949;
9:03 a. m.]

[Vesting Order 13693]

SHOKICHI NEKOBA

In re: Rights of Shokichi Nekoba under Insurance Contract. File No. F-39-1340-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Shokichi Nekoba, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 463,606, issued by The Manufacturers Life Insurance Company, Toronto, Canada, to Shokichi Nekoba, together with the right to demand, receive and collect said net proceeds (including without limitation the right to proceed for collection against branch offices and legal reserves maintained in the United States),

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used,

administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6939; Filed, Aug. 25, 1949;
9:03 a. m.]

[Vesting Order 13705]

GERHARD K. WERRA

In re: Bank accounts owned by Gerhard K. Werra also known as Gerhard Werra, as G. K. Werra and as G. Werra. F-28-29965-E-1/E-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Gerhard K. Werra also known as Gerhard Werra, as G. K. Werra and as G. Werra, whose last known address is Berlin-Schöneberg, Hauptstrasse 62, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Gerhard K. Werra also known as Gerhard Werra, as G. K. Werra and as G. Werra, by The National City Bank of New York, 55 Wall Street, New York, New York, arising out of a savings account, account number A 94403, entitled Mr. G. K. Werra, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation owing to Gerhard K. Werra also known as Gerhard Werra, as G. K. Werra and as G. Werra, by Bank of America National Trust & Savings Association, 300 Montgomery Street, San Francisco, California, arising out of a savings account, entitled G. Werra, maintained at the Jones Geary branch office of the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate

consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6940; Filed, Aug. 25, 1949;
9:03 a. m.]

[Vesting Order 13707]

JOHANNA KLEEMANN

In re: Bank account owned by Johanna Kleemann. F-28-29394-B-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johanna Kleemann, whose last known address is Luitpoldstrasse 9, IIIr. Regensburg, Bavaria, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Johanna Kleemann by the Tradesmens National Bank and Trust Company, 320 Chestnut Street, Philadelphia, Pennsylvania, arising out of a blocked account entitled, Johanna Kleemann, maintained at the branch office of the aforesaid bank located at 1528 Walnut Street, Philadelphia, Pennsylvania, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 19, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6941; Filed, Aug. 25, 1949;
9:04 a. m.]

[Vesting Order 10850, Amdt.]

TAISHO MARINE & FIRE INSURANCE CO., LTD.

In re: Debts owing to Taisho Marine & Fire Insurance Co., Ltd.

Vesting Order 10850, dated March 5, 1948, is hereby amended as follows and not otherwise:

By deleting subparagraph 2 of said Vesting Order 10850 and substituting therefor the following:

That the property described as follows:

a. Those certain debts or other obligations of Johnson & Higgins, 63 Wall Street, New York, New York, in the amount of \$6,453.36 as of June 16, 1949,

arising out of but not limited to balances from deposits, allowances, amounts made good, or credits of any kind accruing to certain interests particularly set forth as Interests Numbered 69, 73, 74, 75, 76 and 77 on the Steamship "Lages" with respect to the fire at sea, May 22, 1941; together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same.

b. Those certain debts or other obligations of Johnson & Higgins, 63 Wall Street, New York, New York, in the amount of \$4,798.52 as of June 16, 1949, arising out of but not limited to balances from deposits, allowances, amounts made good, or credits of any kind accruing to certain interests particularly set forth as Interests Numbered 1 and 2 on the Steamship "Bonneville" with respect to the stranding at Galveston, Texas, in December 1940; and together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same.

c. Those certain debts or other obligations of Johnson & Higgins, 63 Wall Street, New York, New York, in the amount of \$101.37 as of June 16, 1949, arising out of but not limited to balances from deposits, allowances, amounts made good, or credits of any kind ac-

cruing to certain interests particularly set forth as Interests Numbered 1 and 2 on the Montreal Maru with respect to the fire at sea in October, 1933; together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same.

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Taisho Marine & Fire Insurance Co., Ltd., the aforesaid national of a designated enemy country (Japan);

All other provisions of said Vesting Order 10850 and all action taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-6942; Filed, Aug. 25, 1949;
9:04 a. m.]

